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STATE AND FEDERAL

MARKETING ACTIVITIES

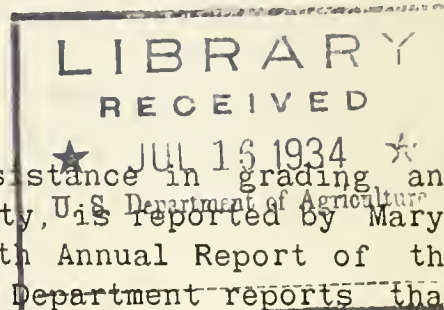
AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

July 5, 1934

Vol. 14, No. 27

MARYLAND REPORTS ON MARKETING ACTIVITIES



Continued increase in the demand for assistance in grading, and packing, and certification as to grade and quality, is reported by Maryland Department of Agriculture in the Nineteenth Annual Report of the University of Maryland, for the year 1933. The Department reports that in cooperation with the Maryland Egg Producers, Inc., operating grading stations at District Heights and Baltimore, and also with the Purity Creamery Company, 119,794 dozens of eggs were inspected and certified for 42 producers last year; in accordance with regulations of the Poultry Certification Board, and in cooperation with the Livestock Sanitary Service, 31,574 birds from 167 flocks were inspected, certified and banded; products graded and certified included early potatoes, cucumbers, peaches, apples, strawberries, maple syrup, and cannery tomatoes.

The department says that as a result of inspection and certification of cannery tomatoes, there is prospect that some of the applicants will request inspection of green wrapped stock next season.

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ILLINOIS PRODUCE SALES HELPED BY INSPECTION SERVICE

Shipping point inspection service, now available in many parts of Illinois, is adding speed and satisfaction to the sale of the state's \$25,000,000 fruit and vegetable crops, says J. W. Lloyd, Illinois College of Agriculture.

Illinois growers, he says, are finding that official certification of the grade and condition of their products is especially helpful in making sales on telegraph orders, since the information supplied by the inspection service is recognized as authentic in both the trade and the courts.

On a falling price market, explains Lloyd, a car of either fruits or vegetables with an inspection certificate is much less subject to rejection than a car without benefit of such service; likewise, on a rising market, the distant buyer is more certain of getting what he wants, if he buys only on the basis of official inspection.

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MORE THAN 500,000 CATTLE had been purchased in the drought-seared states of the west, at the close of business on June 28, the Agricultural Adjustment Administration has announced, and more than 60,000 had been ordered shipped into southern states to be grazed and eventually processed under Federal Surplus Relief Corporation supervision.

IOWA STUDIES CONSUMER
DEMAND FOR "BLUE CHEESE"

The demand for a Roquefort-type cheese known as "Blue cheese", developed by E. F. Goss and V. H. Nielson of Iowa State College, is being studied in comparison with imported Roquefort, through sales by the college and a few other distributors.

Professor Goss says that one grocery store has reported that it has sold ten times as much of the new Blue cheese as imported Roquefort, and other distributors have reported substantial increases in demand for the cheese. The new product is said to have a mild flavor; it is made from cow's milk, whereas Roquefort from France is made from sheep's milk.

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NEW JERSEY RAISES
RETAIL MILK PRICES

New Jersey Milk Control Board raised by one cent the minimum retail prices of Grade A and Grade B milk, July 1. Of the one cent increase, three-fourths go to the producer, and one-fourth goes to the distributor. The board says there has been a 23 percent increase in the cost of producing milk during the past twelve months, during which time the producer has absorbed the added burden with no added compensation.

From May 31, 1933 to June 1, 1934, it is stated, the prices of feeds have advanced 18 percent, labor costs have increased 30 percent, and the cost of cows 16 percent. Further advances in production costs confront the producer, says the Board, as preliminary estimates for June indicate a 2 percent increase over May, with a possibility of even higher costs during July.

The Board expects to announce soon a change in policy in connection with future price structures.

MOTOR TRUCK MARKETING
OF PRODUCE TO BE STUDIED

Plans for a far-reaching study of the use of motor trucks in the marketing of fruits and vegetables have been announced by the Co operative Division, Farm Credit Administration. The survey will include practically all phases of the motor-truck problem in the marketing of fruits and vegetables, especially as it affects farmer cooperative associations. The survey will cover New York City and the area economically tributary to it, Dr. M. P. Rasmussen of New York College of Agriculture and Ward W. Fetrow of the FCA Cooperative Division will direct the work.

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BRIGHTER DAYS for Illinois farmers have been ushered in with the continued swell in factory payrolls, combined with increased industrial production, says Dr. R. W. Bartlett, Illinois College of Agriculture, in a monthly review.

FARM PRICE INDEXHIGHEST IN THREE YEARS

The farm price index, at 77 for June 15, was the highest since July 1931, according to the Bureau of Agricultural Economics. The ratio of farm prices to prices farmers pay advanced 2 points during the past month to an index of 63, the highest since May 1931, except for July and August 1933. Higher prices of cotton, grain, apples, hogs and hay raised the farm price index 3 points during the month, and the figure is 13 points above that of June last year.

For the month, the index of grains was up 11 points; cotton and cottonseed, up 4 points; fruits and vegetables, up 3 points; meat animals, up 1 point. Compared with a year ago, the index of fruits and vegetables was up 34 points; grains, up 26 points; cotton and cottonseed, up 25 points; dairy products, up 11 points; chickens and eggs, up 14 points.

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A SHORTAGE in feed crops in Germany this year on account of the prolonged drought and unfavorable crop conditions in central Europe is expected to modify Germany's policy for a self-sufficient agriculture, according to a report received by the Bureau of Agricultural Economics from Donald F. Christy, Assistant Agricultural Attache in Berlin.

THE NUMBER OF FARMS owned outright by the Federal land banks and subject to redemption by the borrower increased less than 5 percent during the past year, whereas during the calendar year of 1931 the numbers increased approximately 50 percent, and in 1932 another 50 percent increase was recorded.

THE OFFICE OF DIRECTOR OF SCIENTIFIC WORK in the United States Department of Agriculture has been discontinued incident to organization changes which are being made in the department. Dr. A. F. Woods, Director, has been transferred to the Bureau of Plant Industry to conduct investigations relative to plant patents and consult with the head of the division of fruit and vegetable crops and diseases on research problems in plant physiology and pathology.

THE WORLD COTTON SITUATION in early June showed reduced mill consumption in the United States and several European countries, smaller sales of cotton yarn and cloth in central Europe, mill activity in China only slightly increased, but almost record mill production in Japan, according to the Bureau of Agricultural Economics.

WORLD SUPPLIES OF RAW WOOL now available are smaller than at this time last year, with the reduction largest in Southern Hemisphere countries, according to the Bureau of Agricultural Economics.

APPLES will retain their original color if immediately after being cut they are sprayed with pineapple juice, says the Department of Agriculture, announcing a process designed to overcome trade prejudice against the sulphuring of dried fruits as a color preservative.

"FLUCTUATIONS IN PRICES OF COTTON FUTURES CONTRACTS" is the title of Technical Bulletin 423, recently issued by the U. S. Department of Agriculture.

BENEFIT PAYMENTS FROM PROCESSING TAXES
RAISE FARM INCOME ONE-THIRD

By Chester C. Davis
Administrator, Agricultural Adjustment Act

Nearly one-third of the income from production of wheat, corn, hogs, cotton and tobacco allotted under adjustment programs now being received, on the average, by the 3,000,000 contract signers who are co-operating in Agricultural Adjustment Administration programs, is derived from processing taxes.

Benefit and rental payments, including cotton option payments, totaled \$277,335,313.32 on June 29. Benefit payments to cotton farmers on their 1934 contracts now are moving steadily, and there will be a heavy movement of corn and hog benefit checks in the next few weeks, with continued payments to wheat and tobacco farmers.

Because of the gain from crop adjustments and other factors, and in spite of unsatisfactory crop and forage conditions in much of the drought area, the outlook as a whole in the United States is for improved purchasing power for farmers in the coming months, and for better business conditions resulting from farmers' increased ability to buy industrial goods.

The true price received by farmers who cooperate in adjustment programs consists of two parts. These cooperating growers receive the market price when the crop or animal is sold, just the same as non-cooperating growers do. Then they receive an addition to the market price in the form of benefit payments when the proceeds from processing taxes are distributed among them. Benefit payments on allotted production amounted roughly to 43 percent of the market price the farmer received as of June 15. The benefit payments to cooperating farmers from processing taxes account for 30 percent of the total income (farm sales price plus benefit payments) such farmers received upon their allotments.

The combined effect of the two factors (farm sales price plus benefit payments) in improving the farmers' real price is shown in the case of wheat.

Largely because of smaller crops in 1933 and 1934, with consequent reduction of the surplus, the farm sales price for wheat averaged 79 cents on June 15, 1934, as against 34-1/2 cents in March, 1933. However, the 79 cents average of June 1934, does not include benefit payments of 29 cents a bushel which cooperating farmers receive. Administrative expenses are deducted from the benefit payment. A cooperating wheat grower on June 15 received 108 cents per bushel for the domestically consumed portion of his crop, of which an average of 79 cents is paid him at the elevator, and 29 cents, minus administrative expense, is paid to him as benefit payments. Thus more than 25 percent of the real price is paid out as benefit payments collected through the processing tax.

For that part of the crop consumed in this country, the total real price therefore averages \$1.08 per bushel as against 34-1/2 cents in March 1933. The increase of 72-1/2 cents per bushel on the domestically consumed part of the crop is due to an increase of 44-1/2 cents in average sale price plus 29 cents in benefit payment. The marked increase in farm prices for those commodities covered by adjustment programs has contributed to the improvement in general farm price averages.

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BUREAU TO ISSUE SUMMER FARM OUTLOOK REPORTS

Farm outlook reports to aid farmers in adjusting production and marketing programs in view of current economic conditions will be issued this summer by the Bureau of Agricultural Economics. A report on the summer sheep and wool outlook will be issued on August 2; summer poultry and egg outlook, August 14; summer dairy outlook, August 16; summer beef cattle outlook, August 27.

The reports will present the domestic and foreign production and demand situation, and analyses of data on the probable effect upon American agriculture. The objective is to appraise the current farm economic outlook so that farmers may organize their production and marketing plans to best economic advantage in an effort to attain at least pre-war parity in farm buying power.

The annual agricultural outlook conference of Federal and State agricultural economists will be held this fall, during the week of October 29 to November 3, at Washington, D. C. This conference will produce an outlook report for the guidance of farmers in making plans for next crop season. The State Agricultural Extension Services will use the report in connection with the preparation of State and local outlook statements to farmers. The Federal bureau will hold no regional outlook conferences this year.

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NEW YORK SETS STANDARDS FOR CERTIFIED PRODUCTS

New York State standards for seed potatoes, beans, and corn were promulgated June 13 by New York Commissioner of Agriculture Charles H. Baldwin. Newly formulated standards for certified soy beans were put into effect this season for the first time. Grades for seed grains have been changed in that the percentage of germination required for certified seed corn has been increased from 85 percent to 90 percent, and the smut allowance in barley and wheat has been reduced from 3 percent to 2 percent. Seed bean growers are offered certification on Robust Pea, White Medium, Perry Marrow, Yellow Eye, White Kidney, and such other varieties of beans as may be accepted on application of the producer.

A number of changes have been made in the certified seed potato standards, of which the most important is the adoption of United States grades as official standards for certified seed potatoes, at the recommendation of the New York Seed Improvement Cooperative Association. Other changes include a reduction from 10 percent to 9 percent in the

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percentage of combined diseases allowed in any field inspection; an increase of 1 percent in the amount of yellow dwarf allowed; restrictions as to the distance required between certified seed plots and uncertified plots of potatoes showing a total of more than 10 percent of the virus diseases. The standards provide that all potatoes sold as certified seed must be offered for grade inspection before shipment. This inspection is made by farm products inspectors working under the direction of the Bureau of Markets.

The various standards supersede similar standards promulgated on May 20, 1933.

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CANADIAN DEPARTMENT REPORTS ON "TREMULOUS AIR CELLS"

Canadian Department of Agriculture recently issued a report in which it is stated "there is no reason to assume that an egg has a poor albumen on the grounds that its air cell is tremulous". The Canadian investigators of this question as affecting the quality of eggs say that "a tremulous air cell is entirely a condition of the inner shell membrane and is the result of vibration or shaking of the egg in handling or in transit", and that if eggs are packed with the large end up the danger of tremulous air cells is lessened. No proof has been brought forward, they hold, to justify the assumption that there is an association between tremulous air cells and albumen quality, and they present data to sustain the contention that there is no appreciable difference in the percentage of thick albumen between the tremulous and non-tremulous eggs.

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NEW JERSEY FEARFUL OF OVER-PRODUCTION OF MILK

Present prices received for milk in New Jersey are "in danger of collapse" unless commercial dairymen guard against the threat of over-production, says Prof. John W. Bartlett, New Jersey Experiment Station.

New Jersey is rapidly approaching the saturation point in its production of milk, he says. Milk production increased 17 percent in the past year, and is now 70 percent of the State demand. The saturation point has already been reached in South Jersey, he says. The increase in production is attributed to an increase in cow population.

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ILLINOIS SEES PROFIT IN GRADING TOMATOES

Careful grading and packing of tomatoes may mean the difference between profit and loss for Illinois growers, who in a good year obtain more than \$250,000 for this crop, says J. W. Lloyd, chief in fruit and vegetable marketing at Illinois College of Agriculture. It is not unusual for well graded and packed tomatoes to sell for twice as much as ordinary stock on the same market, he says, citing the experience of a former University of Illinois student living near Chicago. This gardener

graded his tomatoes very carefully at a time when the market was fully supplied with home-grown tomatoes and most growers were finding it difficult to dispose of their ungraded stock even at ruinous prices. He sold only the No. 1's, and fed the remainder to his hogs. He got more for his tomatoes than did his neighbors who tried to sell theirs without grading.

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NEW JERSEY FINDS FEW

"FRESH EGG" LAW VIOLATORS

Inspections of eggs offered for sale through retail outlets are demonstrating that conscientious storekeepers have no great difficulty in complying with the new Fresh Egg Law in New Jersey, says New Jersey Department of Agriculture. Of the first 66 establishments inspected under the new law, 33 had eggs which met the law's standards for freshness. Only 17 of the 66 establishments were found to be violating the law by selling inferior eggs as "fresh". Their proprietors were given warnings and instructed as to how they should keep eggs to prevent deterioration.

Most of the small delicatessens and similar stores visited had high quality eggs. Some of the chain stores were found to be complying with the law, while others were not. In every case in which a refrigerator case was used for keeping the eggs, the eggs were found to be in the same condition as when they were purchased by the proprietor.

The inspectors will make a drive upon fake farmers' roadside stands and upon cut-rate stores that are selling "fresh" eggs at such low prices that they cannot possibly be fresh. Warnings were given to violators last week, and if these are disregarded the department intends to institute prosecutions under the law immediately.

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OHIO FARMERS SATISFIED

WITH MOTOR TRUCKING OF LIVESTOCK

A survey of the attitude of farmers and truckers to motor truck hauling of livestock, by Ohio Experiment Station, revealed that more than 95 percent of the farmers were entirely satisfied with the present conditions of livestock trucking. Many wondered how the truckers were able to offer the trucking service at such low rates. Little, if any, dissatisfaction was found with the truckers. Truckers suggested establishment of uniform rates, lower yardage and commission rates at terminal stockyards, elimination of old "rattle-trap" trucks, limitation of the number of truckers, and changes in license fees.

About 10 percent of the farmers believed that railroads should be limited to long hauls; another 17 percent believed that "poor service of the railroads in some respects, along with the railroad rates, which were thought to be too high, were the main cause of the predicament of the railroads." The remaining farmers believed that truck competition had severely affected the business of the railroads but did not see that anything could be done to prevent it. Very little enthusiasm was evident among the farmers for taxing the trucks more than at present.

GEORGIA PEACHES CONSIGNED
VIA MOTOR TRUCKS TO TERMINALS

Many Georgia shippers and farmers are consigning, selling, and shipping via truck portions of their peach tonnage to terminal markets, according to the Bureau of Agricultural Economics. Consignment solicitors report securing considerable tonnage in this manner. One Chicago solicitor stated he had a car by rail and half a car of Hileys by truck going out to Chicago; one large shipper said he had shipped 25 truck loads of peaches to terminal markets in Baltimore, Cleveland, Cincinnati, St. Louis, Washington, Columbus, and other more nearby points.

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RECENT FOREIGN DISPATCHES received by the Bureau of Agricultural Economics report an improvement in Canadian crop prospects, a tendency to limit further expansion of the hog industry in Germany, drought affecting rice and other food crops in the Yangtze Valley of China, China using more native tobacco than American leaf in cigarettes, and feed shortage in Central Europe.

NEW YORK BUREAU OF MARKETS has just completed a set of by-laws for the Chenango County Market Association, organized June 8, for the purpose of operating a farmers' market in Norwich. Eighty-three farmers will use the market.

AN ABNORMAL INCREASE in the use of tractors on Illinois farms is resulting from the steady decrease in available work horses and the improvement in tractors and tractor equipment, says R. I. Shawl, Illinois College of Agriculture.

A CIRCULAR entitled "Egg Production in Fall and Winter" has been issued by Maryland Extension Service.

UNITED STATES STANDARDS for table grapes, to supersede those issued June 18, and United States standards for sawdust pack grapes, to supersede those issued June 18, have been issued by the Bureau of Agricultural Economics.

"THE EDIBLE FAT Problem in Germany" is the title of a mimeographed report just issued by the Bureau of Agricultural Economics. The bureau has available also a list of government publications relating to cotton marketing.

"A HANDBOOK ON EGGS AND POULTRY Meat Supplies and Prices, 1922-1933" has been issued by New Jersey Department of Agriculture.

A CODE OF FAIR COMPETITION for the wholesale fresh fruit and vegetable industry, affecting approximately 20,000 produce firms throughout the country, has been signed by President Roosevelt, effective July 16. The code prohibits destructive price-cutting, and sets up standards of practice designed to protect growers of fruits and vegetables.

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GEORGIA TO SEEKTRUCK REGULATION LAW

Protective legislation against the practice of truckers buying cull products and demoralizing the markets for high grade stock will be sought by Georgia Commissioner of Agriculture G. C. Adams at the next General Assembly.

Commissioner Adams says that "truckers are able to buy cull produce at practically no cost and dispose of it at a price so much lower than the market price sought to be obtained by the agencies disposing of the first grade products that the consumer does not feel that the difference in the quality of the second grade products warrants the difference in the price, thus diminishing the demand for the first grade produce and consequently beating the market price downward. I truly believe that this is surely one of the major reasons for the low prices obtained for first grade perishable products."

He points out that the tomato season in Florida is about two weeks earlier than the tomato season in Georgia, and says: "I know that in the last stages of the tomato season in Florida when practically all of the first grade tomatoes have been marketed, and when the best quality tomato produced in Georgia is about to be marketed, these fleets of trucks buy up the culls and second grade tomatoes remaining on the Florida market, truck them into the Georgia markets on their return trips and dump them here at a price utterly out of proportion to the market price obtaining for the quality Georgia produce, completely demoralizing the tomato market in this state. I feel sure that this practice of selling culls and second grade produce to these truckers is resulting in more loss to the producers than if this type of produce was not sold at all to these truckers."

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NEW YORK ORGANIZINGCUT-FLOWER MARKETING

New York Bureau of Markets is working with cut-flower growers in developing a plan for cooperative marketing of their products in the New York Metropolitan area. An organization committee of eleven growers has been working at group meetings and by personal canvas to sign up regular shippers to the New York market on tentative organization agreements. Preliminary work is about completed for more than 6,000,000 square feet of ground covered by glass.

The bureau reports that plans are under way for expanding the

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farmers market at Oneonta, and that fifty Poughkeepsie growers met in June under the auspices of the Dutchess County Farm Bureau and set up a tentative organization for the purpose of cooperating with the Lower Hudson Regional Market Authority in the development of a secondary farmers market at Poughkeepsie. The Authority has completed tentative plans for a market to be located in the uptown section of the city where railroad connections are available. Special attention is being given to facilities for a truck terminal.

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MINNESOTA TO GIVE

LAMB GRADING DEMONSTRATIONS

Twenty-three counties in Minnesota have arranged for lamb grading demonstrations in the third annual drive sponsored by Minnesota Extension Service to show farmers what a top-market lamb looks like and the best way to put on the extra pounds needed to bring unfinished lambs up to the proper weight and condition. County agents are handling local arrangements for the demonstrations.

The Service reports that farmers showed great interest in the lamb grading campaigns conducted in 1932 and 1933.

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OHIO WANTS TO KNOW WHO

PAYS PROCESSING TAXES

"Who pays the processing taxes?" rhetorically asks Ohio Extension Service, replying that "in the case of wheat, the economists find that the consumer of milled products pays. Neither the miller nor the farmer pays, according to the interpretation of long columns of figures assembled by the department (of rural economics). That the miller does not pay the tax is shown by the fact that the margin or spread between the price of wheat and the wholesale value of the products resulting from milling is now 32 cents a bushel more than it was in the 18-months period prior to the imposition of the tax. The tax has been 30 cents a bushel since July 9, 1933.

"That the farmer has not suffered through the tax is shown by comparative price trends in the United States and in Canada," the Service continues. "Wheat prices in the United States, aside from the taxes, have increased more in the United States than in Canada. Prices of bran and middlings have increased in price less than wheat. Wheat advanced 56 percent on the Chicago market, bran and middlings advanced 50 percent. That the consumer pays is shown by the advance in the price of flour. Since last July flour prices advanced 82 percent above the average of the 18 months before July 9, 1933."

The Service is now studying hog processing taxes to ascertain "who pays".

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LOUISIANA REPORTS RECORD

SHIPMENTS OF FRESH PRODUCE

Shipments of fruits and vegetables from Louisiana were larger in number the first six months of 1934 than they were during the entire year of either 1932 or 1933, says B. B. Jones, Louisiana Extension

Service. Total shipments during each of these years were slightly under 8,500 carloads whereas total shipments during the first six months of this year were about 9,410 carloads. Shipments for the entire year of 1934 will no doubt set a record unequalled during the past several years, he says. The large volume this year is attributed to increased shipments of cabbage, Irish potatoes, mixed vegetables, onions, tomatoes and beans.

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NEW HAMPSHIRE WOULD CHANGE
APPLE COLOR REQUIREMENTS

Feeling that the color requirements were too high for most satisfactory results in packing the Williams variety of apples for market and that the color requirement for the Fancy grade of the Wealthy variety was not high enough, New Hampshire orchardists have recommended to the New Hampshire Commissioner of Agriculture that changes in the color requirements be made for these two varieties. It is proposed to reduce the color requirements for Williams from 66 percent to 50 percent for the Extra Fancy grade and from 33 percent to 20 percent for the Fancy grade, and to step up to 10 percent the color requirement for the Fancy grade of the Wealthy variety. Orchardists recommended also that reference to the corking over of scab spots be omitted from all definitions in the grades. No action has as yet been taken, pending the receipt of suggestions from orchardists who did not participate in the meeting at which these color changes were proposed.

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NEW JERSEY ROADSIDE
MARKETS ACCREDITED

Roadside markets operated according to official regulations that stamp them as "approved" by special inspection committees are active this year in the ten New Jersey counties of Bergen, Essex, Sussex, Morris, Cape May, Gloucester, Atlantic, Cumberland, Burlington, and Camden, reports New Jersey College of Agriculture. Eighteen markets in Essex County are displaying the official green and white approval signs, 14 in Morris, 14 in Sussex, and 15 in Bergen. To receive official approval the grower must offer only fresh products, at least 50 percent of which has been raised on his own farm and the remainder bought directly from a nearby farm. The top of the package must give a true representation of its entire contents, and all produce offered for sale must be clean and honestly graded.

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ILLINOIS CANNERY TOMATOES
PRODUCTION IS "BOOMING"

Production of cannery tomatoes is on the boom in Illinois, and truck gardeners are worrying about what may be done to their business by the extra tomatoes that may come on the market before the canneries open, according to W. A. Huelson, Illinois College of Agriculture. Production of cannery tomatoes is on the increase in Illinois because many canneries are resuming operations after a shut-down of several

years, Huelsen says. In addition, many sections of northern Illinois are growing tomatoes for the first time this year on contract for a large eastern concern which is building a new factory in Chicago.

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BUREAU ISSUES SECOND
REPORT ON DROUGHT

A further reduction in numbers of livestock in the United States appears inevitable and extensive adjustments in feeding practices will be necessary because of the reduced production of hay and grain resulting from the drought, says the Bureau of Agricultural Economics in its second special report on the drought situation.

Despite recent rains over most of the drought areas the losses of early crops and pastures cannot be recovered fully, it is stated. The Bureau reiterates earlier statements that the food supply is ample for domestic needs and that the principal effect of the drought is a reduction of feed and forage for livestock. Local shortage of certain food crops will be met by shipments from surplus producing areas.

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STANDARDS FOR NORTHERN GROWN ONIONS were issued by the Bureau of Agricultural Economics, effective July 16.

A TEN PERCENT REDUCTION in the number of chickens in farm flocks on July 1 compared with July 1 last year, and a 2 percent reduction in the number of hens, are reported by the Bureau of Agricultural Economics.

FIFTY PERCENT OF THE FAMILIES on farms in Connecticut derive some part of their income from non-farm labor, says Connecticut Extension Service.

A MARKETING AGREEMENT for fresh peas and cauliflower grown in Colorado has been tentatively approved by the AAA and is being sent to the industry for signatures. The agreement seeks to improve returns to growers through a system of proration and allocation of shipments among handlers and growers of fresh peas and cauliflower.

EXTENSION OF THE MATURITY DATE of outstanding notes of government corn loan borrowers from August 1 to September 1 has been announced by the AAA.

A MARKETING AGREEMENT and license for fresh lettuce, peas and cauliflower grown in Western Washington, have been approved by Secretary Wallace, effective July 21.

A MARKETING AGREEMENT, effective for one year, for the California cling peach canning industry has been approved by Secretary Wallace.

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LOUISIANA MARKET AND
WAREHOUSE COMMISSIONS JOINED

A law consolidating Louisiana Market Commission and Louisiana Warehouse Commission has been signed by the Governor of that State. The bill gives added powers and duties in connection with the grading and inspecting of farm products, and provides for the establishment of "Farmers Bonded Warehouses", in which farm products can be stored and money borrowed upon receipts.

Fifteen other bills passed by the Louisiana Legislature and recently signed by the Governor provide variously for extension of the tick eradication tax to 1938 with a view to completing eradication work by 1936; the improvement of conditions under which farmers can borrow money from the Farm Credit Administration; suspension of the foreclosure of mortgages under certain conditions; strengthening of the law requiring the licensing and bonding of dealers in farm products; imposition of a 12 cent tax on oleo made from imported oils; prohibiting sale of the portion of a crop belonging to a lessor by a lessee; reducing licenses for auctions of horses and mules; providing for liability on the part of owners of a dog that kills sheep; authorizing towns of less than 1,000 population to prohibit livestock running at large; providing a penalty for the milking of a cow belonging to another, and for making minor changes in the tick eradication act of 1930.

The Governor vetoed a milk control bill which sought to stabilize the milk industry of the State and increase the price farmers receive for milk; a bill which sought to clarify certain provisions of the tick eradication act of 1930; a bill seeking reduction of licenses on ice and cold storage plants storing meats for farmers to be returned to the farm for home use, and a bill appropriating \$30,000 for an experimental small capacity sugar cane mill.

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NEW JERSEY TO INSPECT
CANNERY TOMATOES

New Jersey Department of Agriculture will start the week of July 30 to inspect all tomatoes purchased by four, or possibly more, New Jersey canneries between then and October 5. It is expected that last year's inspected volume of 63,000 tons of cannery tomatoes will be doubled. The peak of the canning season will be reached the later part of August and the beginning of September, when 25 to 30 Federal-State inspectors will be employed on inspection work.

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Samples will be selected from each load trucked to the canneries, and the loads will be rated according to their content of U.S. No. 1, U.S. No. 2's, and cull stock. Payment will be made by the canneries on the basis of the proportion of No. 1's and No. 2's, one large cannery having contracted to pay \$18 per ton for No. 1's and \$10 per ton for No. 2's. No payment will be made for culls.

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JUDGE UPHOLDS SECRETARY
IN PERISHABLES CASE

A decision of the Secretary of Agriculture under the Perishable Agricultural Commodities Act was upheld by Judge John Knight, U.S. District Judge, Western District of New York, in a suit brought by the Barker-Miller Distributing Co., Phoenix, Arizona, to enforce a reparation award issued by the Secretary against Barney Berman, Buffalo, New York, in connection with a dispute over two cars of melons.

The defendant raised two questions regarding the jurisdiction of the Secretary of Agriculture to hear and determine the controversy. The first objection was that plaintiff did not file the complaint within the nine months allowed by statute. The court held a timely complaint was made; that this contained reservation of a right to file a supplemental complaint later but within the nine months period; that a supplemental complaint was filed after the expiration of the nine months; that the Secretary held that this complaint was sufficient as a basis for the proceeding, and that in the absence of proof to the contrary the court must assume that the Secretary would not have acted had he lacked jurisdiction.

The second objection was that the Secretary lacked jurisdiction because the facts claimed by the plaintiff, even if true, did not constitute a rejection without reasonable cause or failure or refusal truly and correctly to account. The court held that the Secretary assumed jurisdiction on the basis of the complaint and the complaint not being before the court, judgment could not be passed on its sufficiency.

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GERMAN GOVERNMENT TAKES
CONTROL OF GRAIN TRADE

Complete control of the sale, handling and processing of grain and grain products in Germany was taken over by the German Government on July 16. The Ministry of Agriculture was authorized in a law dated June 27, 1934, to exercise a monopoly over the marketing and processing of grain and grain products, such as already exists for certain other agricultural products. The purpose of the new law is to maintain farmers' income, - threatened this year by reduced wheat and rye crops and a feed grain shortage, - without at the same time endangering the interests of consumers. This is to be accomplished by a system of fixed prices for bread and feed grains and by compulsory deliveries. A supplementary decree of July 16 fixed selling prices for 1934-35 wheat and rye at from 3 to 5 percent above last year's prevailing levels.

NEW JERSEY SAYS EGG PRICES
AND QUALITY CLOSELY CORRELATED

Inspections made last week at 500 retail stores located in all parts of New Jersey show there is a close correlation between egg prices and quality, says New Jersey Department of Agriculture. The inspections indicate that, in general, the housewife gets what she pays for when she buys eggs, and that she cannot expect to receive fresh eggs at prices as low as or lower than wholesale prices for this product, it is stated.

A tendency for the price of eggs to increase at this time because of falling production by hens and the fact that pullets have not yet begun to lay, was noted by the department, which says that this trend will continue until about Thanksgiving, so far as large and medium sized eggs are concerned.

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WORLD WHEAT CROP
CUT 400,000,000 BUSHELS

The world wheat crop outside of Russia and China will be about 400,000,000 bushels less than the last crop of 3,693,000,000 bushels, says the Bureau of Agricultural Economics. Production in the Northern Hemisphere outside Russia and China is indicated at 300,000,000 bushels less than last year, the decrease occurring chiefly in the United States and Europe. Canada, it is expected, will produce 80,000,000 bushels more than last year. The reduction in the Danube Basin is placed at about 130,000,000 bushels, and twenty-one other countries of Continental Europe will produce about 210,000,000 bushels less than in 1933. Production in the Southern Hemisphere will be cut about 100,000,000 bushels, chiefly through a decrease of 50,000,000 bushels in Argentina, and a reduction of 60,000,000 bushels in Australia. The crop in four countries in northern Africa is estimated at 9,000,000 bushels more than last year's.

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NEW ENGLAND REQUIRES
HEALTH STATEMENT ON COWS

All New England States recently passed regulations requiring a health statement in addition to the regular interstate tuberculin health chart on interstate shipments of cattle. This statement must be signed by the original owner of the animal, as well as by the shipper, and is as follows:

"I hereby certify that, to the best of my knowledge, the animals listed below on this certificate are not affected with any infectious disease and have not aborted within the past twelve months nor reacted to a field or laboratory test for Bang Abortion Disease.

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WORK on acquiring land and planting a forest shelter belt, one hundred miles wide, and extending more than 1,000 miles through the drought area from the Canadian Border to Texas, will be started at once by the U. S. Forest Service.

ILLINOIS SEES BETTER PRICES THIS FALL

With reductions in both crop carry-overs and current production, Illinois farmers should enjoy a more favorable price situation this fall than they have in recent years, says R. C. Ross, Illinois College of Agriculture. A summary of carry-overs as of July 1 shows that Illinois farmers had less than half as much corn and oats on hand as they did last year at this time and about two-thirds as much as in 1932. Wheat carry-over in Illinois is 12 percent less than a year ago. Excepting possible future damage by chinch bugs, the 1934 corn crop may be about 81 percent of normal this year, says Ross. Illinois' winter wheat production this year has been estimated at 89 percent of normal, or slightly larger than last year.

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TEXAS STUDIES OF RANCH ECONOMICS REPORTED

Texas Experiment Station discusses ten projects in farm and ranch economics, now under way in that State, in its forty-sixth annual report recently issued. They are: organization and management of farms in high plains; range management in the Edwards Plateau grazing area; local cotton marketing; mixed carlot movement of fruits and vegetables; quality as a factor in the marketing of vegetables; central and local market prices of wheat in relation to quality; farm tax index for Texas; classification of property in Texas; economic significance of different methods of harvesting cotton, and carrying capacity of ranch experiment station.

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A MARKETING AGREEMENT for the Pacific Coast Bartlett pear canning industry has been tentatively approved by Secretary Wallace.

A SURVEY of the wheat situation in Argentina will be made by Frank A. Theis, and L. M. Estabrook, acting as special representatives of Secretary Wallace. They will be accompanied by Paul O. Nyhus, agricultural commissioner in the Foreign Agricultural Service, Bureau of Agricultural Economics, who goes to Argentina to represent the bureau.

A PUBLIC HEARING on a proposed marketing agreement for the citrus fruit industry in Puerto Rico will be held at San Juan, Puerto Rico, July 31.

AN AMENDED MARKETING AGREEMENT and license for the Southern rice milling industry of Louisiana, Arkansas, Texas and Tennessee, went into effect July 21.

A COMPARISON OF PRICE MOVEMENTS in thirteen countries, including the United States, is offered by Professors G. F. Warren and F. A. Pearson in the June issue of the pamphlet "Farm Economics" issued by New York College of Agriculture.

"Apparently," the Cornell professors say, "the United States has obtained practically the full advance that is to be expected from the change in the price of gold."

STATE AND FEDERAL

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

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U. S. DEPARTMENT OF AGRICULTURE

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

August 1, 1934

Vol. 14, No. 31

VIRGINIA WOULD ELIMINATE
"UNCLASSIFIED" APPLE GRADE.

Virginia marketing officials, extension officials, apple growers, and apple dealers are considering substitution of Domestic grade for the "Unclassified" grade in apple packs. Virginia Extension Service says that an inspection of the 1933 Virginia apple grade list will show that the "Unclassified" pack which is permissible under the Virginia Standards does not conform to the fundamental principle underlying grading. The word "Unclassified" marked on a box, basket or barrel of apples gives notice to the prospective purchaser, or warns him, says the Service, that the apples in the package so marked do not belong to any grade. Notwithstanding this, it is stated, the fruit in many of the packages marked "Unclassified" is superior to that of other packages carrying the marks of a higher grade. Substitution of Domestic grade for the "Unclassified" pack would not eliminate sound fruit from legitimate channels of trade, says the Service, but would permit of marking fruit in such a way as to give the purchaser full notice of what to expect. An additional argument for the change is that the "Unclassified" pack has been barred from export under the apple and pear export bill. With the foreign outlet closed to the "Unclassified" pack, says the Service, "it is most natural that the domestic markets will be asked to absorb this extra amount of fruit which lacks grade."

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EASTERN FLOWER GROWERS
ORGANIZED FOR MARKETING

More than 200 flower growers, located within 100 miles of New York City and operating 9,103,000 square feet of ground area under glass, have authorized an organization committee to work with all elements of the trade willing to cooperate to improve market conditions, to work for legislation beneficial to the industry, and to work with growers supplying the New York Metropolitan market to improve conditions wherever possible and, in cooperation with the several State Extension Services to improve cultural practices, reports Webster J. Birdsall, Director, New York Bureau of Markets. Mr. Birdsall says that this is an important development for the flower industry, and reports that in New York State alone the annual receipts from sales of flowers grown under glass exceed \$11,000,000.

U. S. Dept. of Agriculture Library,
Attn., Miss Trolinger,
4 K Washington, D. C.

OHIO REPORTS INCREASING MOTOR TRUCK HAULING

Although railroads brought about 80 percent of the vegetables and fruits into the Columbus market in 1933, the trend toward an increasing number of truck receipts is still noticeable, according to C. W. Hauck, Ohio Experiment Station. He says:

"Trucks now haul produce longer distances. Since 1928 the length of the average haul doubled. Five years ago the average load that reached the Columbus market came 19 miles. Last year this distance rose to above 40 miles. Trucks arrived from ten states and 56 Ohio counties. Out-of-state truckloads numbered 486. In 1929 only 19 truckloads arrived from other states. That year, four states sent produce to the Columbus market. Three states - Michigan, Indiana, and West Virginia - supplied three-fourths of the out-of-state truckloads. The trend on the Columbus market is probably an indication of the trend elsewhere in Ohio, including the larger metropolitan markets at Cincinnati and Cleveland."

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NEW JERSEY POTATO MARKETING DEAL OPENS

The two sales agencies which will market Central Jersey's potato crop this season opened on July 30 at Hightstown and Freehold, reports New Jersey Experiment Station. Marketing was conducted from Hightstown only last year and resulted in the sale of more than \$3,000,000 worth of potatoes.

The Station reports that since last season there has been growing agitation on the part of South Jersey growers for a marketing plan similar to that used by Central Jersey growers last year, and arrangements have been made to have South Jersey dealers quote the Central Jersey price, not only when they settle with growers, but also in carload sales they make on distant markets. The South Jersey growers and dealers may have a representative in the Central Jersey offices to assure smooth cooperation between the two potato-growing sections of the State, but this has not as yet been definitely settled. Long Island dealers have also expressed a desire to cooperate with New Jersey, and the Station says there is some likelihood that the Central Jersey quotation will be observed by them. The sales agencies through the quotation committee will have full power to regulate digging in Central Jersey, and farmers there will be told to stop digging when there seems to be danger of flooding the market and threatening the price level.

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NEW JERSEY MILK BOARD PENALIZES VIOLATORS

New Jersey Milk Control Board, at a series of hearings held on July 26, assessed penalties of \$225 against dealers who had been violating the orders of the board, and informed one dealer that an order to show cause why his application for a license should not be refused would be issued within the near future, because of his persistent violations

of the board's regulations. The board's inspectors had uncovered violations against 24 dealers in all sections of the State, involving the sale of milk and cream at prices below those set by the board; use of improper bottles and caps; giving of free service; failure to file monthly reports and to pay producers in accordance with the orders of the board.

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COTTON PRICES ADVANCE

DESPITE UNFAVORABLE DEMAND

Cotton prices continue to rise in the United States despite marked restriction in domestic cotton consumption, somewhat unfavorable demand conditions in Europe, continued small domestic sales of cotton goods, and reports of increased acreage and production in foreign countries, according to the Bureau of Agricultural Economics.

The strength in domestic cotton prices is attributed to estimates that the acreage in the United States is the smallest since 1905 and to unfavorable weather conditions, particularly in Texas and Oklahoma. Domestic cotton mill activity in June and most of July is reported to have been at least 25 percent less than in May and 40 to 50 percent less than a year ago, when mill activity was unusually high. Total domestic cotton consumption for the 11 months ended June 30 was about 196,000 bales less than during the same period last season. A substantial part of the reduction occurred in the last quarter of the season.

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MINNESOTA HAS HIGH

TAX DELINQUENCY RATE

Hard times have aggravated the tax delinquency situation in northeastern Minnesota, but they are not the basic cause of this delinquency, according to Minnesota Extension Division. The statement is based on a cooperative study conducted by that Division, the Bureau of Agricultural Economics, and the FCWA.

Citing the fact that tax delinquency on rural real estate in the northeastern district varied from 32.9 percent in 1928 to 50.9 percent for the 1932 levy, the statement continues:

"This area showed extensive delinquencies prior to 1929, indicating that the problem is not due primarily to the acute depression but to something of a more permanent nature. The problem in this area is largely one of land use."

In making its study, the investigators checked up on 19 counties, obtaining data on tax delinquencies, tax sales, mortgage foreclosures, and land transfers on all pieces of rural real estate of three or more acres which had been tax delinquent at any time for the tax levies of the five years, 1928-22.

Tax delinquency was found to have been much higher for the 1932 levy in all districts of the state than for the 1928 levy. For the 1932 levy, the rate was lowest in the southeast district which had a delinquency of 19.1 percent. Next was the southwest district, with an average of 21.3; the northwest averaged 42.3, and the northeast 50.9 percent.

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NEW YORK OPENS NEWS
SERVICE AT MENANDS

With the opening of the new Capital District Regional Market at Menands, New York, July 16, New York Bureau of Markets inaugurated a market news service on both the farmers and shipped-in produce sections, reports Webster J. Birdsall, Director, New York Bureau of Markets. The reports will be furnished to the newspapers of the district, and broadcast daily over radio station WOKO of the Columbia chain, at Albany, New York. Mr. Birdsall says the market is a modern wholesale food handling terminal developed along lines recommended by the bureau, and will serve as a food handling center for the demand area of the district which includes a number of cities, and for the large and productive supply area.

The cherry harvest is reported to be well under way in Western New York. Twenty Bureau of Markets inspectors are located at various processing plants to inspect each load for grade as it is delivered. Practically all contracting has been done on the basis of the U.S. Grades for Red Sour Cherries, purchases having been made mostly at $1\frac{1}{2}$ cents per pound for No. 1 stock.

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REMODELLING apple washing machines now in use so that the chemical washing solutions may be heated to a temperature of 90 to 110 degrees Fahrenheit will materially increase the amount of lead and arsenic residue removed, and in many cases will eliminate the necessity of buying a new washer, says Illinois College of Agriculture. This heating can be accomplished with electric, hot water or steam heating systems described in a mimeographed publication just issued by the College.

GROWING CROPS in practically all countries of the Northern Hemisphere have been damaged by the prolonged drought, reports the Bureau of Agricultural Economics. Even in the Southern Hemisphere, particularly in Argentina and Australia, recent reports indicate that lack of moisture during recent months has so dried out the soil that seeding operations, which are now being completed, have been made extremely difficult in many districts.

PERSONS WHO ELECT to store their 1934 cotton and postpone attachment of bale tags under the Bankhead cotton control act until a date later than the ginning date may store it in approved warehouses in any state instead of only on their own farms under a new regulation signed July 23 by the Secretary of Agriculture and the Acting Secretary of the Treasury.

A MARKETING AGREEMENT for growers and handlers of Colorado peaches designed to maintain returns to growers and provide for more orderly marketing through proration of shipments, has been tentatively approved by Secretary Wallace.

INDICATIONS that government cattle purchases would amount to four million head, and possibly to seven million head, and might continue for six months, were given on July 26 by officials of the AAA

STATE AND FEDERAL MARKETING ACTIVITIES

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FOUR YEARS UNDER THE PERISHABLE COMMODITIES ACT

During the four years the Perishable Agricultural Commodities Act has been in effect a total of 9,197 complaints have been received by the Bureau of Agricultural Economics, 2629 by wire and 6,568 by letter, reported C. W. Kitchen, assistant chief of bureau, addressing the Convention of the International Apple Association at Detroit, August 8.

Of this total number 2,774 complaints alleged rejection without reasonable cause, 1,459 failure to deliver without reasonable cause, 4,782 failure truly and correctly to account, 3 unjustified dumping, 106 false or misleading statements, 22 failure to keep adequate records and accounts, 43 operating without a license, 3 tampering with inspection tags or notices, 4 fraudulent representations, and 1 employment of a person whose license had been revoked.

Practically all of the complaints fall in the categories of alleged rejections by buyers or the reverse, failure to deliver in accordance with contracts by sellers, and failure truly and correctly to account which also means to pay.

A total of 1,527 of these cases were investigated by the bureau, hearings were held in 596 cases, and decisions rendered by the Secretary of Agriculture in 794 cases. About 60 percent of the complaints are disposed of informally by the bureau through correspondence with the respondent or complainant or both. The remainder are referred to the Solicitor of the department or are dismissed by the bureau, withdrawn by the complainant, or disposed of for various other reasons. Since the Act has been in operation reparation orders amounting to \$207,070.54 have been issued by the Secretary of Agriculture.

The facts and circumstances surrounding violations of the Act have been published in 480 cases, licenses have been suspended for periods varying from 10 days to 90 days in 8 cases, and 19 licenses have been revoked. There are now 15,488 licenses in effect. A copy of Mr. Kitchen's address, which discusses, also, recent amendments to the Act and features of the Export Apple and Pear Act, may be obtained from the Bureau of Agricultural Economics, Washington, D.C.

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IOWA SAYS LARD QUALITY STANDARDS NEEDED

"Lard as it is sold today - with the exception of a few brands or grades - is an unstandardized product. Because of this lack of standardization, many consumers have come to regard lard with disfavor; and accordingly it suffers greatly from intense competition from lard

substitutes. These substitutes, for the most part, are highly standardized."

The foregoing statements are contained in a bulletin, "The Lard Market at Home and Abroad", recently issued by Iowa Experiment Station. The authors, Rainer Schickele and Theodore W. Schultz, say that factors chiefly responsible for the lack of standardization of lard are widely scattered production, difficulties of packers in manufacturing thoroughly standardized lard grades, and the fact that many packers are involved in both the lard substitute and lard business.

It is stated that the sale of lard substitutes has increased in recent years until today about two-thirds of a pound of substitutes is consumed for each pound of lard. The authors declare that "to improve the domestic market position of lard and aid it in its competitive struggle against lard substitutes will necessitate the manufacture of a thoroughly standardized product superior to that commonly sold today."

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NEW JERSEY PREFERS

VOLUNTARY DEBT ADJUSTMENT

Voluntary adjustment and scaling down of debts by farmers and their creditors is to be preferred to farm bankruptcies under the new Federal Frazier-Lemke Act, says Paul H. Burk, Chairman, New Jersey Emergency Farm Mortgage Committee. The committee believes that debt-burdened farmers should try to obtain a friendly adjustment of their debts before making use of the act's provisions. If farmers make extensive use of the bankruptcy act, it is stated, they will undermine their credit standing and merely postpone the settling of their debt problems for five or six years. The committee expects to continue giving assistance in the amicable adjustment of farm debts.

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IOWA EXPECTS

LIGHTER HOG RECEIPTS

Marketing of hogs may be considerably reduced late in the summer or in early fall, says Iowa Extension Service. When the reduction in marketing will take place depends largely upon the drought, it is stated; "if it continues many additional hogs may be liquidated from farms because of a shortage of feed supplies."

If the number of sows farrowing next fall is about the same as is now indicated and the number of pigs saved per litter is normal, the total reduction in pig production for 1934 will amount to about 30 per cent, says the Service.

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FOREIGN COUNTRIES TRYING

TO IMPROVE MILK QUALITY

Mediterranean countries are rapidly following the lead of America in developing fluid milk on a quality basis, says Dr. R. S. Breed, New York Experiment Station, recently returned from the tenth International Dairy Congress in Rome. Italy, of all the southern European countries, he says, appears to be making the most rapid strides in developing modern pasteurizing plants. The Municipal Dairy Plant in Rome he characterizes as the equal of any modern dairy plant in the United States. All milk used in Rome is pasteurized and bottled in this central plant.

NORTH CAROLINA TO MAKE
RURAL LIFE STUDIES

A detailed study of changes in the social and economic life of rural families during the depression and the period of recovery has been started by North Carolina Experiment Station in cooperation with the FERA. Information is being gathered to show how the lean years have affected the economic status of the families and how the economic status, in turn, has influenced their mode of living. The survey was started in Enfield Township, Halifax County, where 1,000 rural families are being canvassed. Later, other representative areas will be covered.

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LABELING OF RYE SEED
IMPROVING IN SOUTH

By exposing and punishing dishonest seed dealers, and by warning buyers, the United States Department of Agriculture, cooperating with a few Southern States, has endeavored to minimize the misrepresentations as to variety of rye seed sold in the South. Because varieties of rye cannot be satisfactorily identified from the characters of the seed, the department has been growing rye from samples of seed to determine whether labels are truthful.

State inspectors have been taking samples from lots of seed on sale in Alabama the last four years. In 1932, Virginia furnished a number of samples. Each fall the Federal department planted these samples at James Island, near Charleston, S.C., along with seed of known varieties. In the following spring it was possible to detect misrepresentations as to variety. Judging from the samples tested, the department announces there has been an encouraging decrease in misrepresentation as to variety.

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SETTLING FARM DEBT
CASES IN 42 STATES

County farm debt adjustment committees appointed by State Governors to secure voluntary settlements of farm debts between debtors and creditors have adjusted well over \$100,000,000 of farm indebtedness and saved thousands of farm homes, according to reports to the Farm Credit Administration.

Forty-two states have been organized for farm debt adjustment work with more than 2400 county committees, thus extending facilities for the work in almost nine-tenths of the agricultural counties in the country. In Illinois, the county committees have found solutions for the debts and saved the homes of more than 3,000 distressed farmers, adjusting an indebtedness of approximately \$20,000,000. In each case settled by a local county committee, an agreement was worked out allowing the farmer to retain possession of his farm and settle the claims of his creditors on terms which they accepted as satisfactory.

Wisconsin, Ohio, Missouri, Washington and Mississippi are reported as typical of a number of Western and Southern states in which anywhere from 1,000 to 4,000 farm homes have been saved by means of this voluntary debt conciliation work.

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"IMPROVING THE DOMESTIC MARKET FOR LARD" is the title of Bulletin 319 recently issued by Iowa Experiment Station.

EMERGENCY CROP LOAN offices of the Farm Credit Administration will accept applications for loans for the purpose of producing commercial vegetables and truck crops to be planted in 1934 and harvested in 1934 or 1935, the FCA announced August 3. The loans may be made in any area adapted to the production of fall and winter vegetables and truck crops, the maximum amount of a loan to one individual for such purposes to be limited to \$250, including previous emergency crop loans to the applicant in 1934. The loans will be secured by liens on the crop financed and will mature April 1, 1935.

ILLINOIS MELON GROWERS are being urged by Illinois College of Agriculture to sell only high quality specimens, particularly when melons are to be sold locally or through a roadside market where the business done depends largely upon working up a regular trade so that sales are made repeatedly to the same persons. All inferior melons should be discarded as culls to avoid ruining the market for good melons, it is stated.

MIMEOGRAPH REPORTS recently issued by the Bureau of Agricultural Economics include a "Check List of Standards for Farm Products formulated by the Bureau of Agricultural Economics"; "Tariff Rates on Agricultural Products Under Tariff Acts of 1930 and 1932"; "Cotton Production in the Anglo-Egyptian Sudan"; "Sources of Information Concerning the Agriculture of any State"; "The Federal Public Lands - General Information for Inquirers"; "General Suggestions to Prospective Farmers".

PLANS TO BUY SHEEP in the drought states, and turn them over to the Federal Surplus Relief Corporation, were announced August 6 by the AAA. Government buyers will purchase only ewes, and a flat price of \$2 each for ewes one year old or older will be paid. Angora goats will be bought, and the price will be \$1.40 each for animals one year old or older. Sheep purchased under the program will be processed, as far as possible, in local or western packing plants.

THE COTTON PROCESSING TAX will continue in effect for the 1934-35 cotton marketing year, and no change is being made in the rate of tax, AAA announced July 31.

SALES OF WHEAT AND FLOUR for export through the North Pacific Emergency Export Association totalling the equivalent of 27,641,003 bushels had been made up to the close of business July 26, reports AAA.

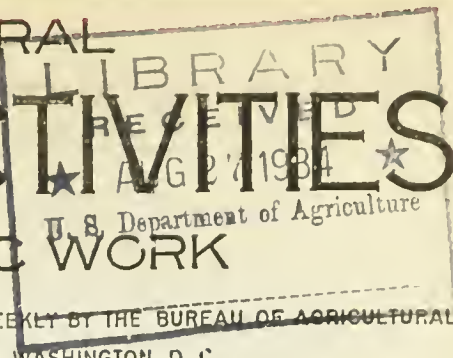
IMPROVED RETURNS to producers of Florida strawberries through limitation of the grades and sizes of berries which may be shipped to market centers are among the objectives of a marketing agreement for shippers of these berries, effective August 5, approved by Acting Secretary of Agriculture Rexford G. Tugwell.

A MARKETING AGREEMENT for the California Gravenstein apple industry has been approved by the AAA, effective August 5.

NO CHANGE IN THE CORN LOAN PROGRAM in which producers have obtained loans of 45 cents per bushel on sealed corn is contemplated, AAA announced August 3.

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FOOD SUPPLIES AMPLE DESPITE NATION'S WORST DROUGHT

Drought damage to crops and pastures up to August 15 has been far greater than anticipated earlier in the season and exceeds the damage in any previous drought year on record, says the Bureau of Agricultural Economics in its third special report on the drought situation.

"Never before in this country has severe drought extended over so extensive an area and affected so large a number of farmers; yet, a serious food shortage for the nation is unlikely," it is stated. "Stocks of bread grains and of several other food products are large. Production of most canning crops will be about normal, fruits and vegetables fairly abundant outside the drought area, and the supply of meat, dairy and poultry products adequate for the remainder of this year. But local supplies of certain food crops will be decidedly short in many areas, requiring more than usual shipments from other localities.

"The main drought damage this year is in the shortage of feed, forage and pasture, necessitating heavy reduction of livestock numbers and reduced rations for the remaining animals. This in turn will cause sharp reduction in market supplies of meat and other livestock products in 1935, even should the growing season next year be normal.

"The drought of 1934 has been widespread throughout the Northern Hemisphere, materially reducing the production of grain and causing serious feed shortage especially in central and southwestern Europe, including Germany, Poland, and the Danubian countries."

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CALIFORNIA EGG DEALERS WARNED OF USE OF CASES

Seventy-seven egg dealers in California have been warned by California Department of Agriculture against the use of second-hand cases bearing the labels of original owners. Complaints that certain egg dealers were using containers originally owned by the Poultry Producers of Central California without first completely covering the labels or removing them from the boxes, and were thus violating the state penal code had been made to the department.

The second conviction under the provisions of the California agricultural prorate act was recorded last week when an apple grower pleaded guilty to harvesting apples without obtaining necessary certificates from the prorate program committee. The defendant was fined \$500 and sentence suspended pending compliance with the program.

NEW JERSEY MILK DEALERS
CITED FOR VIOLATIONS

New Jersey Milk Control Board cited a number of dealers to appear at the Board's offices on August 8, for hearings regarding violations of the Board's regulations. Several dealers had been selling milk at less than the minimum prices set forth in the regulations, and one of these was fined the maximum penalty of \$200. Several others were not using the regulation store bottles, one was accused of offering free inducement to customers, and one dealer was fined for failure to file a monthly report of his purchases from producers.

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NEW YORK REPORTS ON
RETAIL MILK SALES

Retail store sales of quart bottles of milk increase with rising temperature or with prices, says Herbert S. Mumford, Jr., New York College of Agriculture, following a study of dairy sales in about 300 independent stores in Buffalo. The study covered more than one year at a time when Buffalo was going through a price war. Mr. Mumford says:

"Sales of pint bottles are affected slightly by price and temperature, but for the most part they depend on the sales of quarts. When quarts are a bargain and are selling well, then fewer pints are sold. Cold weather stimulates the sale of heavy cream. Sales of milk and cream respond more to temperature changes when their price is low than when it is high. The greatest response to price changes occurs the first few weeks following a change. Thereafter, the influence of the change fades, though sales continue to be on a new level to correspond with the new level of prices. The quantity of milk sold through stores is also affected by other factors such as the size of the store, the day of the week, and holidays."

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ILLINOIS REVISES FARM
MANAGEMENT BULLETIN

Practices, yields and incomes and expenses of hundreds of Illinois farms have been analyzed by Illinois College of Agriculture in determining the most profitable factors in farm management, and bringing up to date a bulletin originally written in 1929 under the title of "Organizing the Corn Belt Farm for Profitable Production." It is stated, for example, that a study of 67 farms in Woodford, McLean, Tazewell and Livingston counties revealed that during the five years 1928 to 1932, the farm with the highest earnings made an average of 6.98 percent a year on an average investment of \$49,247. This income was the result of years of definite effort by the operator to put the farm on an efficient production basis.

The least profitable farm in the group lacked \$563, or 1.28 percent, of making any return on the investment after paying operating expenses.

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A HANDBOOK of United States Standards for grading and marketing fresh fruits and vegetables may be obtained from the Bureau of Agricultural Economics, Washington, D. C.

HOUSEWIVES BUY HONEY"BECAUSE IT IS HEALTHFUL"

Seven hundred and fifty housewives out of one thousand interviewed in a survey of New York University School of Commerce said they buy honey because it is healthful. Ninety-four percent of the housewives said they prefer honey in glass; 72 percent expressed a preference for quantities costing from 20 to 27 cents; 33 percent mentioned a particular brand, and 67 percent showed no choice. Honey, the survey disclosed, is being bought as a remedy or palliative for asthma, nerves, diabetes, indigestion, the heart, as a laxative for coughs and colds and sore throats and as a sleep producer.

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LOUISIANA HOG MARKETSSUPPLIES BY OTHER STATES

Urging Louisiana farmers to supply a greater proportion of New Orleans market receipts of hogs, E. B. Jones of Louisiana Extension Service is citing statistics that during the twelve months ended June 30, one-third of the hog receipts at the New Orleans stockyards came from Tennessee. Ten states contributed to the receipts - Tennessee, Louisiana, Missouri, Texas, Oklahoma, Mississippi, Arkansas, Kansas, Illinois, and Alabama. Heaviest receipts arrive from October through February.

Louisiana farmers, says Jones, are not taking advantage of their opportunity for building a side-line income with hogs.

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CITRUS GROWERS SAVE ONREFRIGERATION COSTS

Changes in refrigeration of citrus fruits developed in research by the U. S. Department of Agriculture are saving orange growers of California and Arizona upwards of \$1,000,000 annually in charges for ice. The latest reduction involving charges for transit precooling went into effect August 6. It will save growers \$15 a car compared with rates previously in effect.

The new rate of \$10 a car for precooling applies to a method of refrigeration especially applicable to shipments moving in the spring and fall. By this method oranges are precooled in the refrigerator cars at the place where trainloads are assembled. Cold air at a temperature of about 25 degrees F. furnished by a refrigeration plant operated by the railroads is blown through the cars until the temperature of the fruit is reduced to about 40 degrees F. This usually requires about 3 hours. Then the car is closed tightly until it has crossed the hot desert region, after which the ventilators are opened to admit the cool outside air. In spring and fall this method maintains a satisfactory carrying temperature for the remainder of the trip to the Eastern seaboard.

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BABY BEEF is being increasingly demanded by consumers, says R. B. Hinman, New York College of Agriculture.

DEVELOPMENT of an onion seed industry that can supply Texas growers with a Texas grown onion seed that is equal to the best imported seed is favorably indicated by recent experiments, reports Texas Experiment Station.

RIPE CANTALOUPEs shipped from the vicinity of Yuma, Arizona, this season, were dipped in wax as a preservative measure. The measure is said to be a "complete success".

NEW JERSEY is said to be the only State whose State Police register poultry flocks as a means of identifying stolen birds. Each poultryman participating in the system is assigned a number, and tattoos that number on his chickens, ducks, geese and turkeys.

LESS THAN FIVE PERCENT of the acreage retired from the production of corn, wheat, cotton, and tobacco under the government's adjustment programs, is lying idle, according to the Replacement Crops Section, AAA. Much of this acreage is growing forage crops to help offset livestock feed shortage resulting from drought.

THE TIME LIMIT for receiving applications in the drought areas for crop loans for general purposes, for summer fallowing, or for the purchase of winter seed wheat, rye or barley, has been extended to the close of business September 15 by the Farm Credit Administration.

ADDITIONAL FACILITIES being developed will make it possible for meat packers to process 50,000 head of drought cattle and calves, and 17,000 head of sheep daily by the middle of September or shortly thereafter, the meat packing industry has assured the AAA. The packers at present are processing approximately 40,000 head of drought cattle and calves a day.

A MARKETING AGREEMENT for dried prunes produced in California has been tentatively approved by the AAA, and is being sent to the industry for signature.

MORE THAN 2,858,000 HEAD of the drought-stricken cattle had been purchased by the AAA in western drought states up to August 13. The average price per head for government-purchased cattle was about \$13.60.

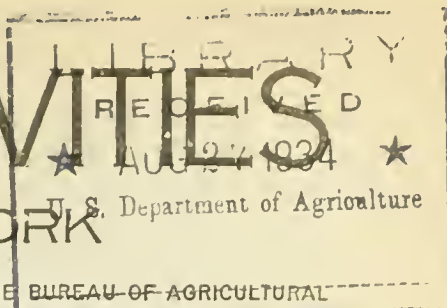
PUBLIC HEARING on a proposed code of fair competition for the corn wet milling industry which produces such corn products as starch, corn syrup, sugars, feed, and oils will be held by the AAA at Washington, August 23.

CONTROL through necessary adjustments in production of basic farm products by means of machinery created by the Agricultural Adjustment Act will be continued in 1935, announced Victor A. Christgau, acting administrator for the Act, August 11. The AAA now is at work on the 1935 programs applying to wheat and several other basic commodities, he said.

STATE AND FEDERAL MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

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August 22, 1934

Vol. 14, No. 34

NEW JERSEY FINES EGG LAW VIOLATORS

Sixty-four storekeepers and other egg dealers in New Jersey were fined last week a total of more than \$700 for violating the recently enacted Fresh Egg Law in that State. The payments ranged from \$5 to \$25 each.

Of about 37,000 stores that retail eggs in New Jersey, the New Jersey Department of Agriculture has inspected 2,500 since July 1. Storekeepers generally are complying with the new law, despite the seemingly large number of dealers penalized, according to Secretary Duryee of the department. The hearings at which violators were penalized were conducted by Secretary Duryee. He declared the department intends to obtain strict compliance with the law so that consumers who ask for fresh eggs will be assured of getting the quality they expect.

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NORTH CAROLINA REPORTS ON COTTON PRICE STUDIES

If cotton farmers were better versed on grade and staple differences it would be but a matter of time until local buyers would be compelled to buy cotton on this basis, according to North Carolina Experiment Station, reporting the results of studies of farm prices of cotton in relation to grade and staple length, in Bulletin 289, recently issued. It is stated that in general, cotton is bought in the local markets from farmers with little reference to its specific central market value.

The Station says that a service involving the sampling and grading of growers' cotton may eventually be furnished direct to all cotton farmers and suggests that the expense for such a service could be met by a small fee to be collected by the ginner or by a State or Federal appropriation. If each bale of cotton should be classed in this way it would provide growers with very valuable marketing information, and improve the accuracy of grade and staple estimates, it is stated.

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U. S. Dept. of Agriculture Library,
Attn: Miss Wolfinger,
4 K Washington, D. C.

QUALITY OF GRAIN MARKETING
TO BE REPORTED SEMI-MONTHLY

The quality of the grain crops, as determined by the inspection of receipts at representative markets, are to be issued semi-monthly during the peak of the new-crop market movement each year by the Bureau of Agricultural Economics.

Reports on the quality of hard red winter, soft red winter, and white wheat, barley, oats, and rye will be issued during July, August, and September; on the quality of hard red spring and durum wheat during August, September, and October; on the quality of grain sorghums during September, October, and November, and on the quality of corn during December, January, February, and March.

The second report was issued August 20, covering the period August 1 to August 10 inclusive.

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OUTLOOK FOR BETTER RETURNS
ON CHICKENS AND EGGS

Farmers may expect better prices for their chickens and eggs this fall compared with last, mainly on account of the reduced production which it is expected will result from the scarcity and high price of feed, according to the mid-summer poultry and egg outlook report of the Bureau of Agricultural Economics.

Poultry production this year is the smallest since 1925, reports the bureau. The number of chickens hatched this year was about 10 percent less than last year, and the number of hens in farm flocks on August 1 was 3 percent less than on that date last year. There has been more than normal disposal of hens and pullets in drought areas of the Central States.

Stocks of dressed poultry in cold storage, August 1, were about 2 percent less than on August 1, 1933. Scarcity of feed in many important poultry producing States is forcing poultrymen to dispose of some of their surplus young stock earlier than usual, and a considerable reduction in number of layers carried through the winter is expected.

The prospective reduction of eggs throughout the fall and winter and the relatively small production in prospect next spring, should result in a level of farm prices sufficiently high to offset in part a higher price of feed. The bureau suggests that producers who are able to do so, maintain their laying flocks and carry young chickens over to heavier weights where natural range is available.

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MILK PRODUCTION WILL BE
REDUCED, IS OUTLOOK

There will be reduced production of milk until the next pasture season makes more feed available, according to the Bureau of Agricultural Economics in its summer dairy outlook report. Prices of fluid milk for city distribution, for which requirements are fairly constant, will probably increase relative to prices of butter or milk for manufacturing.

Feed prices in most sections are expected to advance more rapidly than prices of dairy products during the remainder of this year. The

longer outlook, it is stated, is for higher prices of dairy products in relation to prices of feed grains, but a less favorable relationship of dairy products prices to prices of meat animals.

Feed shortage, sharply higher feed costs and heavy marketings of cows are expected to reduce considerably the number of milk cows by next spring, but the reduced milk production during the remainder of this year is expected to affect supplies of manufactured dairy products more than supplies of milk and cream for city distribution.

Apparent consumption of manufactured dairy products, not including goods purchased by the Government for relief distribution, was 3 percent less from May 1933 to April 1934 than in the corresponding period of 1932-1933, but there was a slight increase this May and June compared with last.

The bureau says it is likely that the margin between butter prices in domestic and foreign markets will widen to the full amount of the present protective tariff on imports into the United States. Butter production in the United States has been curtailed, and increasing quantities of foreign butter have been going into world markets.

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GOVERNMENT FARM ECONOMISTS

HOLD THIRD INTERNATIONAL CONFERENCE

The Third International Conference of Agricultural Economists will be held at Bad Eilsen, Lower Saxony, Germany, August 26 to September 2. Previous conferences were held in England and in the United States.

Six economists of the U. S. Department of Agriculture will participate in the conference. They are Dr. O. C. Stine, Dr. O. E. Baker, Samuel W. Mendum, Dr. Arthur G. Peterson, and David L. Wickens, of the Bureau of Agricultural Economics, and H. M. Dixon of agricultural economics work in the Extension Service.

Dr. O. C. Stine, will present a paper on the agricultural situation in the United States. Dr. O. E. Baker's paper will deal with agricultural implications of the population changes in the United States. David L. Wickens will present at the conference a paper on agricultural credit in the United States. Samuel W. Mendum specializes in farm income surveys. Dr. Arthur G. Peterson, who specializes in agricultural price indices, will participate in conferences on this subject while in Germany and other European countries. H. M. Dixon will study methods in economic extension work as followed in Germany and the British Isles.

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OPENING OF MARKET BRINGS

BETTER PRICES FOR TOBACCO

South Carolina tobacco prices are much higher than a year ago, and are above prices paid on the opening day of the market, August 9 of this year, says the Bureau of Agricultural Economics.

Market offerings have consisted mostly of cutters and lugs, including primings. Very little tobacco of the "leaf" grades has as yet been delivered. Leaf grades are not generally used in the manufacture of domestic cigarettes, and may not command as high a range of prices as other grades. Bureau officials are of the opinion, however, that the heavy leaf grades will be less abundant in proportion to the total size of the flue-cured crop, than usual, and that this relative scarcity may have material influence on prices paid for heavy leaf in comparison with the cigarette grades.

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WILLIAM C. LYNN, for the past eight years supervisor of fruit and vegetable standardization and marketing for New Jersey Department of Agriculture, was promoted to the position of administrative assistant to Secretary Duryee of the department, July 1. Mr. Lynn's former position as supervisor of fruit and vegetable standardization has been taken over by George B. Crisp, who has been associated with the department in fruit and vegetable inspection work for six years.

SINCE NO ONE KNOWS what prices would have prevailed on hogs had there been no processing tax, the question as to who pays the tax cannot be answered with finality, in the opinion of George F. Henning, Ohio Experiment Station, who has been studying the subject. Mr. Henning makes the assumption that "everybody who eats or handles pork (from producer to consumer) pays some of the processing tax on hogs."

FEWER FARM WORKERS were reported for July by farmers all over the country who showed average employment of 87 hired hands per 100 farms on August 1 compared with 102 hired hands on July 1. The decrease was rather general, except for a slight increase in the Rocky Mountain area. The decrease was greatest in the Cotton Belt where the cotton crop was largely "laid by", chopping and cultivating having been completed. Relatively little work remained to be done in the East South Central States until cotton picking gets under way generally. Wheat harvesting was beginning in spring wheat areas on August 1, but total employment in West North Central States decreased 14 persons per 100 farms due to the extremely short crops in drought affected areas.

CONTINUED DECLINE in volume of agricultural exports was reported by the Bureau of Agricultural Economics for June when the index of 59 was the lowest for any corresponding June in the last two decades, and compares with 72 in June last year. Agricultural exports normally decline during the spring and early summer months, but this is usually followed by an increasing volume of trade in the late summer, fall, and winter months, says the Bureau. The decline in the June, 1934 index number compared with that for June 1933 was caused mainly by much smaller exports of cotton. Exports of wheat and flour were very low in June 1934, exports of leaf tobacco showing an increase over a year ago, and exports of American fruit considerably above the pre-war level with dried prunes, fresh pears, and grapefruit in greatest volume. Exports of lard were fairly well maintained, but the index for cured pork was the lowest June index during the last 20 years.

H. E. REED, livestock, meat, and wool specialist of the Bureau of Agricultural Economics with headquarters at London, has been recalled for a temporary assignment with the Agricultural Adjustment Administration in connection with the emergency livestock purchasing program.

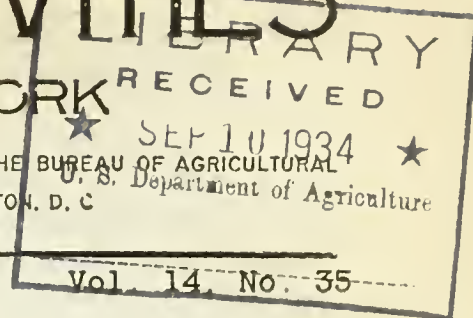
L. C. MALLORY has been transferred from the General Crop Section of the A.A.A. to the Foreign Agricultural Service of the Bureau, for assignment to the Paris office, having served for two years prior to his recall to Washington in 1933, as assistant agricultural commissioner in Marseille, Bureau headquarters in France at that time.

STATE AND FEDERAL MARKETING ACTIVITIES

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August 29, 1934



GEORGIA DEPARTMENT OF AGRICULTURE RESUMES FUNCTIONS FOR PRESENT

One week after curtailment of the activities of the Georgia State Department of Agriculture because of a drastic cut in appropriations, the usual functions of the State Bureau of Markets were restored, in part, after vigorous protest by the farmers of the State.

The Market Bulletin, a weekly publication of the Bureau of Markets, missed one issue when funds were not available, but one-third of the quarter's operating budget now available makes it possible to resume activities for the present at least, on reduced funds.

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ALL MEAT SOLD IN SEATTLE MUST BE GRADED AND STAMPED

A cooperative agreement between the Bureau of Agricultural Economics and the Department of Health and Sanitation of the City of Seattle provides for meat grading and stamping service in that city beginning September 1.

According to the agreement, the Bureau will supervise the grading and stamping of all beef, lamb, and mutton sold in the City of Seattle. The meats will be graded and marked to the official standards for grade, the Bureau's brands for grade to be affixed to all federally inspected meats (all meats inspected for health and sanitation by the Bureau of Animal Industry) but the grade terms will be preceded by "Seattle" instead of "U. S." on all meats not federally inspected. Such men as the city may designate to do this work, will be supervised by a grader appointed by the Bureau. The city will pay the salary and all expenses of the Bureau's representative on this assignment. This is the first time the Bureau has contracted to do such work in cooperation with a municipality. It is believed that the experiment will be watched with interest, and may result in other cities asking for this type of service.

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LOANS CLOSED BY PRODUCTION CREDIT ASSOCIATIONS in New York State for the week ending August 4, totaled forty-six and amounted to \$56,942.45, according to a statement from the Farm Credit Administration of Springfield. Federal farm mortgage corporation bonds disbursed during the same week in the State of New York totaled \$296,800. This is the largest amount of any in the Springfield district. For the month of July, 332 first mortgage loans were closed in New York by the Federal land bank, amounting to \$980,900. In addition, first and second mortgage loans closed by the land bank commissioner for July, 1934 are 413 in the State. The total sum involved is \$854,800.

FARM CASH INCOME FROM MARKETINGS
SIX BILLION DOLLARS IN 1934.

A total cash income of about \$6,000,000,000 in the year 1934 from sales of farm products and rental and benefit payments from the A.A.A. is estimated by the Bureau of Agricultural Economics. This estimate compares with \$5,051,000,000 in 1933, and represents an increase of nearly \$1,000,000,000, or 19 percent. It is a 39 percent gain over 1932 when the total cash income from sales was estimated at \$4,328,000,000 the low point of recent years.

These estimates of cash income should not be confused with the estimates on cash income from farm population. These estimates of cash income from farm marketings are the sum of the 12 monthly estimates of cash receipts from the sale of farm products during the calendar year while the estimates of cash income from farm production represents the income from products produced for sale during the calendar year but which may be marketed over a 2 or 3-year period.

Cash income from the sale of farm products during the first 7 months of 1934 is estimated at \$2,894,000,000. In addition, farmers have received \$170,000,000 in rental and benefit payments, and \$13,000,000 from the sale of cattle to the A.A.A. up to August 1. It now seems likely that income from the sale of farm products during the remaining 5 months of the year will exceed from 3 to 6 percent the \$2,377,000,000 received during the last 5 months of 1933 as the advance in prices of farm products is expected to more than offset the decrease in the volume of marketings. In addition, it is estimated that rental and benefit payments from August 1 to December 31, 1934 on programs already in operation will approximate \$350,000,000. If the Government's program to purchase 7,000,000 head of cattle and 5,000,000 head of sheep and goats is carried out during the rest of 1934, this will add an additional \$90,000,000 to farmers' cash income during the last 5 months of the year.

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FARM PROFIT NEARLY TWO PERCENT
IN 1933 AFTER THREE YEARS OF LOSSES.

A return of 1.9 percent on the capital of farm operators for the year 1933 compared with a loss of 4.2 percent in 1932 is shown by the analysis of farm income for 1933 just completed by the Bureau of Agricultural Economics. This return compares with 5 percent on the net capital of operators, which was earned in 1924, the highest return in the last decade. Farm operators owned about 68.5 percent of all farm real estate in 1933 and this return is estimated after deducting rent to absentee landlords.

The gross income from farm production for 1933 is now estimated at \$5,925,000,000 including the value of products used on the farm. In addition, payments from the A.A.A. made a gross income of \$6,256,000,000, as compared with \$5,331,000,000 in 1932. The estimated operating expenses for 1933 were slightly larger than in 1932, the increase being principally outlays for machinery tractors, automobiles, and repairs of farm buildings.

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LAND UTILIZATION AND POLICY REPORT TO FORM PART
OF NATIONAL RESOURCES REPORT TO PRESIDENT.

The Bureau of Agricultural Economics and the A.A.A. are preparing a report on Land Utilization and Policy which is to form a portion of the forthcoming President's Report on National Resources.

The land report will outline a comprehensive policy covering all phases of surface land uses. It will be submitted to the President through the recently created National Resources Board, which consists of the Secretaries of Agriculture, Interior, Commerce, War, and Labor, the Director of the Federal Emergency Relief Administration, and the members of the former National Planning Board of the Public Works Administration. A report on water resources will be submitted with the land report, and later, reports will be made on minerals, power, industries, and transportation.

Assistant Secretary M. L. Wilson is chairman of the Land Section of the Technical Committee of the National Resources Board, and Dr. L. C. Gray, in charge of the Division of Land Economics, Bureau of Agricultural Economics, and the Land Policy Section of the Agricultural Adjustment Administration, is director of this committee. In this position, Dr. Gray is in charge of the land section of the President's report.

Contributions to the report are being made by several division of the Bureau of Agricultural Economics, as well as by the Import-Export, Production Planning, and agricultural-industrial relationship sections of the A.A.A.; by the Bureau of Biological Survey, the Bureau of Agricultural Engineering, the Forest Service, and the Weather Bureau of the Department of Agriculture; and by the Geological Survey, the National Park Service, the Office of Indian Affairs and the Bureau of Reclamation in the Department of the Interior.

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RECORD YEAR IN FRUIT AND
VEGETABLE INSPECTIONS.

The fiscal year 1934, ended June 30, was a record year for the inspection service of the Fruit and Vegetable Division of the Bureau of Agricultural Economics. Inspections were made of 53,185 carloads of fruits and vegetables at receiving points and of 317,823 carloads at shipping points throughout the country. The nearest approach to this total of shipping point inspections was made in 1931, when 311,805 were made.

The largest increase this year was made in Florida, in which State 47,000 more carloads were inspected than in 1934. Large increases were made in a number of other States, the most important being: Idaho 14,000, Washington, 12,000, Alabama 4,500, and Maine 4,000 carloads more than in the preceding year.

GORDON P. BOALS, has been transferred from Washington to Berlin, to assume duties as assistant agricultural attache, to relieve D. F. Christy, who will be recalled for duty in the Washington office of the Foreign Agricultural Service.

APPROXIMATELY 500 PERSONS HAVE WRITTEN to the Farm Credit Administration that they are interested in forming Federal credit unions under the provisions of the recently-enacted Federal Credit Union Act, according to C. R. Orchard, Assistant Director of the Credit Union section. Since the act was passed some 1,500 inquiries about credit unions have been received. Credit unions are cooperative thrift and loan associations of groups of persons having common bonds of occupation or association, or living within well-defined neighborhoods or communities, either city, town, or rural. They encourage their members to save by investing a little of their earnings in the stock of credit unions. The money so invested is available for loans to the member-stock-holders for provident or productive purposes. The Government does not credit unions nor lend them any money. Credit unions start small and grow conservatively. The organizers should consider if they have a potential membership of at least 50; then the organizers should determine if there is an economic necessity for the credit union, as this is one of the questions which a Farm Credit Administration investigator will look into before recommending that a charter be granted.

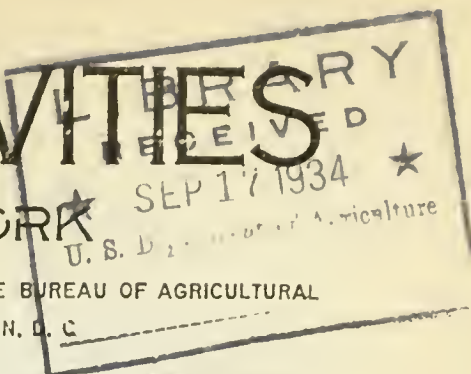
CONNECTICUT POULTRYMEN will make a pilgrimage to the Northeastern Poultry Producers' Council meeting at Rye Beach, New Hampshire, members of the pilgrimage assembling at the Farragut House in Rye Beach, N. H. on September 13. Poultrymen who are interested in local and national events and their effect on the poultry industry are urged to attend the meeting.

A FARM MARKETING SURVEY, seeking to improve methods of sale and transportation of fruits and vegetables from farm to market, has been started in New Jersey by the Farm Credit Administration in cooperation with the State Agricultural Experiment Station, at Rutgers University. The survey is part of a study of the use of motor trucks in the marketing of fruits and vegetables in the metropolitan area of New York City. It will deal not only with marketing at production points, but also with facilities of the terminal market. Similar surveys will be made in nine States in cooperation with State agricultural colleges, as a result of urgent requests from a large number of State and National farmers' organizations, and from the produce trade.

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

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September 5, 1934

Vol. 14, No. 36

IOWA CORN IS MARKETING
WHEN PRICES ARE LOW

From 57 to 60 percent of the commercial corn of three of Iowa's heaviest surplus producing areas is marketed during the first six months of the corn marketing season - from November through April - "the period of lowest corn prices", says Roland C. Bentley, agricultural economist, in a new bulletin "The Destination of Iowa's Commercial Corn", recently issued by Iowa Experiment Station.

Mr. Bentley further points out that the spread between the terminal market price and the price received by farmers is 13.3 cents during the first six months of the marketing season and narrows down to 10.7 cents during the latter six months. By marketing early, he says, the farmer loses, not only because of low prices largely due to heavy marketings, but also because the terminal agencies demand a higher margin in order to carry the corn until late summer.

Iowa's commercial corn is only 15 percent of the total crop produced in Iowa, but Mr. Bentley's study reveals that this 15 percent returns from 9 to 12 percent of Iowa's farm income. Copies of the bulletin may be obtained from Bulletin Editor, Iowa State College, Ames.

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MARKETS ONCE LOCAL
ARE NOW REGIONAL

Markets that were local twenty years ago are now regional, and buy-and-sell zones formerly measured in one-mile circles are now measured in one-hundred mile circles, according to Prof. Paul Work, New York College of Agriculture, addressing vegetables growers in recent annual convention in Toronto, Canada.

Many different types of regional markets exist today, he continued. In Cleveland, Ohio, vegetable growers have established a commission house to relieve growers of the heavy cost of coming to the market and selling there. This enterprise, organized as a private corporation but owned by a large number of growers, did business last year valued at more than thirteen hundred thousand dollars.

Farmers in the Buffalo area have established and now operate a market in connection with the Niagara frontier food terminal. Producers in the Albany-Troy-Schenectady area have just opened a market at Menands with facilities for growers, buyers, wholesale produce houses, and wholesale merchants. Benton Harbor, Michigan, has a city market which serves a large territory. Growers bring in loads, buyers make their purchases and ship out largely by truck to points as far distant as

Georgia and Florida. The auction system of marketing has been highly developed in New Jersey. New York has established regional market authorities to own and operate markets in Syracuse and Newburgh.

It makes little difference whether markets are owned and operated by growers, by cities, or by states, provided the interests of producers, dealers, and consumers are served, Professor Work said. Ownership by growers has important advantages, however, but any measures which override the interests of consumers, retailers, or wholesalers are likely to lead to disaster, he said.

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MINNESOTA ADVOCATES

ZONING OF RURAL LAND

A Minnesota law providing for rural land zoning would be helpful in developing better programs of land use and in cutting down costs of roads, schools and other public services, especially in sparsely settled regions, says Dr. O. B. Jesness, chief in agricultural economics, University of Minnesota.

"Zoning land to control its use in the interest of public welfare, though common in cities, is new to rural areas," says Dr. Jesness. "Wisconsin has taken the lead by enacting a law authorizing counties to adopt zoning ordinances. This is being done in numerous counties.

"The plan applies particularly well to areas not fully settled or developed. Under zoning, certain areas may be restricted to further agricultural settlement. The purpose of this is to keep settlers from going into areas where conditions are unfavorable for farming, or where their presence will involve excessive costs of supplying schools, roads and other public services. It also serves to guide new settlement to lands where the chances of success are best. In short, zoning enables a county to direct land use in the interest of its citizens generally. It does not prevent growth and development, but directs use in accordance with public interest."

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NORTH CAROLINA REPORTS

PRODUCE INSPECTIONS INCREASED

North Carolina Division of Markets inspected a larger volume of fruits and vegetables during the past six months than in any corresponding period on record. There were inspected and certified 1,448,600 packages of Irish potatoes, 285,851 packages of strawberries, 227,461 packages of beans; peas, 125,325 packages; cucumbers, 58,474; corn, 33,892; sweet potatoes, 10,800; dewberries, 3,245; huckleberries, 929 and peppers, 44. Inspections were made at Elizabeth City, Mount Olive, Bayboro, Aurora, Beaufort, Bethel, Pantego, Washington, Fairmont, New Bern, Wallace, Chadbourn, Tabor, Burgaw, and Warsaw.

The division reports that during the past year the number of licensed warehouses was increased to 82, with a storage capacity of 430,000 bales.

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"TRUCK CROPS IN NEW JERSEY AND COMPETING AREAS," a 104-page printed circular, has been issued by New Jersey Department of Agriculture.

NORTHEASTERN POULTRYCOUNCIL MEETS NEXT WEEK

The Northeastern Poultry Producers' Council will hold its annual meeting at Rye Beach, New Hampshire, September 13 and 14. The organization represents poultry interests of the thirteen northeastern states, including the six states in New England, New York, Pennsylvania, New Jersey, Delaware, Maryland, Virginia, and West Virginia. Its purpose is to combine the effects of all the different states represented and to weld them into a more forceful medium for fostering movements which will benefit the poultry industry of this region.

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NEW YORK TO HOLDEGG MARKETING SCHOOL

The seventh annual egg grading and marketing school of New York College of Agriculture will be held at Ithaca September 17 to 21, inclusive. The poultry department at Cornell says the marketing and grading of eggs are receiving much attention today and that these branches of the business are increasingly important in the daily activity of poultrymen, egg merchants, and other handlers of eggs in commerce.

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PENNSYLVANIA FARMERSMAY SELL PRODUCTS TAX-FREE

Pennsylvania Department of Agriculture reports that almost daily, requests are received from farmers asking whether a borough or city can require a farmer to take out a peddler's license to sell his own produce. The answer given by Bureau of Markets officials is that a city or borough may require a farmer to obtain a vender's license, but if he is selling only his own products, the license shall be issued to the producer free of charge. However, if the producer buys produce from his neighbors and resells it, then he becomes a peddler and must pay the municipal vender's license fee.

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NEW REPORTS OF INTERESTTO MARKETING OFFICIALS

State marketing officials and others interested in the selling of farm products will find much valuable information in mimeographed reports recently issued by the Bureau of Agricultural Economics, as follows:

"Farm Production and Income from Meat Animals, 1930, 1931, 1932, and 1933"; "The Summer Dairy Outlook"; "The Consumer and the Standardization of Farm Products" by Caroline B. Sherman, associate agricultural economist; "Rules and Regulations of the Secretary of Agriculture for Carrying Out the Provisions of the Perishable Agricultural Commodities Act"; "Truck Receipts of Fresh Fruits and Vegetables at 14 Important Markets for Calendar Years 1933 and 1932"; "Monthly Statistics Relating to Apple Exports"; "Regulations of the Secretary of Agriculture Governing the Inspection and Certification of Rough, Brown, and Milled Rice"; "Income from Farm Production in the United States, 1933."

UNITED STATES STANDARDS for fresh tomatoes, citrus fruits, unshelled pecans, garlic, cabbage, and rough rice (revised), have been issued by the Bureau of Agricultural Economics.

RECENT PRESS RELEASES by the Bureau of Agricultural Economics state that smaller apple crops in the United States and Canada this year are likely to cause substantial reductions in exports this season, that the Chinese walnut crop this year will be at least equal to the 1933 crop should weather conditions remain favorable to the end of September, that the world supply of American cotton for the 1934-35 season beginning August 1 is expected to be about 20,000,000 bales should the present growing crop turn out no larger than the 9,195,000 bales indicated August 1, that China will import only about 18,000,000 bushels of wheat and less than 300,000 barrels of flour during 1934-35, that cotton spinning tests indicate no difference in the spinning behavior of cotton covered with sisal, jute or cotton bagging that could be attributed to the bale covering, that the index of prices received by farmers for the month ended August 17 increased 7 points to 87, and was at the highest level since April 1931, and that a total cash farm income of about \$6,000,000,000 in the year 1934 from sales of farm products and rental and benefit payments from the AAA is estimated by the bureau.

MANY OHIO FARMERS are making inquiries of Ohio State University with regard to purchases of fertilizer for wheat. Robert M. Salter, of the department of agronomy, says that the improved price of wheat, owing to the short crop and the presence of a little ready cash in the pockets of production control cooperators, are factors contributing to renewed interest in fertilizers.

HEBREW HOLIDAYS this year are as follows: September 11, New Year; September 19, Day of Attonment; September 25, Feast of Tabernacles; October 2, Feast of Law. Best market days for poultry are usually from 4 to 6 days before the holiday.

IOWA EXTENSION SERVICE has set up a "clearing house" to enable farmers on "both sides of the fence" - those in the drought areas and those who have surplus feed - to make arrangements to board cattle through the winter.

CLOSE TO ONE MILLION ACRES of American farm land will be needed to produce the increased agricultural exports to Cuba if the new trade agreement between Cuba and the United States works out as expected, it was estimated today (September 5) by Secretary Wallace.

FIVE MEMBERS of a national flaxseed producers' advisory committee, provided for in the code of fair competition for the linseed oil manufacturing industry, have been appointed by Secretary Wallace.

THE COTTON SECTION of the Agricultural Adjustment Administration has advised cotton farmers that petitions being circulated in the South concerning the application of the Bankhead Act for next season were NOT to be confused with the requirements of the statute that the Secretary of Agriculture must determine that two-thirds of the producers favor its continuance before the Act is effective for the next season.

STATE AND FEDERAL
MARKETING ACTIVITIES
AND OTHER ECONOMIC WORK

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A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

September 12, 1934

Vol. 14, No. 37

FARM IMPROVEMENT
LOANS ARE AVAILABLE

Farm owners whose mortgage interest and tax payments are reasonably up to date may borrow National Housing Act money for repairs, alterations and improvements, but the amount that can be borrowed for one year is limited to one-fifth the farmer's annual income. The loan is a "character loan", no security, mortgage or other collateral being required. The money may be borrowed from local banking or other credit agencies, in sums of not less than \$100 nor more than \$2,000, and the loan can run from one to three years, but must be reduced annually. The cost is \$5 for each \$100 borrowed on a one-year loan, \$9.19 for each \$100 on a two-year loan, and \$13.03 on a three-year loan. The cost of the loan is deductible in advance. The local lending agency is insured by the government against loss to the extent of 20 percent of the total of all loans made by such agency. More than 5,000 banks and other lending agencies have been approved, to make loans under the National Housing Act, with applications by banks coming to the Federal Housing Administration at the rate of several hundred each day.

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CALIFORNIA ADVOCATES
STANDARD RETAIL EGG GRADES

Public confidence in eggs as a pure and wholesome food has been undermined because of many meaningless and often erroneous retail grade designations, says H. J. Almquist, California Experiment Station.

Organization and cooperation in the marketing of eggs have enabled poultrymen to meet competition from other producers of similar foods, but great confusion in the retail grades under which eggs are sold has been most discouraging to poultrymen, he says, adding that high quality eggs have been forced into competition with a large bulk of common eggs at prices which have not returned the desired premium, and that consumers, unable to exercise intelligent choice of quality, because of present retail grades, have been frequently misled and become dissatisfied.

The only sure way to progress, says Almquist, is for poultrymen to insist that eggs be retailed according to weight and standard grades, and to take such precautions as are necessary to preserve the quality of eggs until they reach the consumer.

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VIRGINIA DETERMINES MILK PRODUCTION COSTS

During the last year, 8,705 yearly record cows in the Virginia dairy herd improvement associations averaged 7,235 pounds of milk and 300 pounds of butterfat at an average feed cost of \$67 per cow, according to Virginia Extension Division. The feed cost is assumed to represent approximately 45 percent of the total cost, and on this basis, says the division, it cost the dairyman \$149 to produce 7,235 pounds of milk with an average improvement association cow. Since this milk was sold at an average price of \$2.79 per hundred pounds, dairymen keeping cows of this producing ability were obliged to produce 5,337 pounds of milk from each cow before they could take a profit.

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FLAX GROWERS URGED TO HOLD SEED

Because of the extremely short flax crop this year, estimated at 5,252,000 bushels, it is imperative for farmers and seedmen to hold a larger proportion of the crop than usual for sowing next spring, says the United States Department of Agriculture. If the usual acreage of flax (about 3,000,000 acres) is to be sown next spring, 2,000,000 bushels of flaxseed will be required. It is highly important that adapted varieties of flax should be retained for sowing in the flax-producing states of Minnesota, Iowa, the Dakotas and Montana, says the department.

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BILLION DOLLARS LOANED BY CREDIT ADMINISTRATION

One billion dollars of farm mortgage loans have been advanced by the twelve Federal land banks and the Land Bank Commissioner since January 1, 1934, reports the Farm Credit Administration. The money covered about 400,000 loans made up of approximately \$575,000,000 loaned by the land banks secured by first mortgages on farms, and \$425,000,000 loaned by the Land Bank Commissioner on the security of either first or second mortgages. The amount of farm mortgage financing by the land banks and the Commissioner so far this year is more than four times the amount advanced in 1933, and thirty times the sum lent by the land banks in 1932. Altogether, \$1,250,000,000 has been loaned on the security of farm mortgages since the FCA was organized in May 1933.

Governor Myers of the FCA says that "with this tremendous amount of mortgage credit extended, the program of the FCA for refinancing the depression-debts of American farmers is over the crest, and the approach of a more normal period of land bank financing may be expected."

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THE SOUTHERN RICE INDUSTRY is entering into a well-planned educational campaign which seeks to increase the consumption of rice, reports B. B. Jones, Louisiana Extension Service. Newspaper advertising campaigns, cooking demonstrations and the use of charts, recipe books, and other such material are some of the ways the story of rice and its uses will be carried to the people, he says.

NEW JERSEY SAYS CONSUMERS
BUYING MORE FRESH PRODUCTS

Reacting quickly to changes in food prices, housewives are buying more fresh fruits and vegetables which are relatively low-priced, according to Warren W. Oley, Chief, New Jersey Bureau of Markets. As contrasted to the advancing prices of meats and other foods, he says, fresh fruits and vegetables have remained available at prices which to date are relatively very low; some commodities, potatoes and tomatoes, for instance, are retailing for less than a year ago.

Articles in the current "clip sheet" of New Jersey Division of Consumer Information, urge consumers to read egg labels with more care, and to learn to know apple varieties since appearance alone is an unsafe guide. Fred W. Jackson, director of the division, says that with the predicted future scarcity of meat products, due to the drought, and the consequent increase in prices of such food, fish, oysters, and other sea foods are expected to be welcome additions to the diet of many families.

New York City Department of Markets, it is stated, has sponsored a movement to establish Tuesday as a "fish day" as well as Friday.

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CANNERS WOULD PROVIDE
MORE INFORMATIVE LABELING

The Standards and Label Committee of the National Canners Association has endorsed, in a report to the NRA, the government's effort to provide more informative labeling for canned goods. The committee has proposed the use of specific terms, such as tiny, small, medium or large; very tender, mellow, firm; cut, whole, sliced, pitted, unpitted, peeled, unpeeled; light syrup, medium syrup, and heavy syrup. Definite labeling specifications for at least four products are to be submitted to the NRA by the committee. Special committees have been named by the canning industry to draw up standards for asparagus, cling peaches, apricots, Bartlett pears, tomatoes, sauerkraut, ripe olives, beets, R.S.P. cherries, Royal Anne cherries, green lima beans, peas, corn, grapefruit, loganberries, pineapple, plums, prunes, sweet potatoes, green and wax beans, pumpkin, and squash.

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MANY FARMERS HAVE
DEBTS ADJUSTED

Dr. H. M. C. Case, who is returning to the University of Illinois after a year's work in organizing the farm-debt adjustment program of the Farm Credit Administration, stated on September 11 that during the past year, more than 20,000 farmers with debts in excess of \$125,000,000 have obtained settlements with their creditors by means of county farm debt adjustment committees. These committees were organized to assist heavily indebted farmers to secure scale-downs or longer periods in which to pay their debts.

GEORGE O. GATLIN, for the last six years, extension economist at Oregon State college, and for some time secretary-treasurer of the Oregon Co-operative Council, has resigned, effective September 15. Mr. Gatlin is credited with having played a major part in practically rewriting the co-operative laws of the state of Oregon.

THE WELL ESTABLISHED ROUTINE of the cattle cycle has been turned topsy-turvy by the great drought, says Iowa Extension Service. Cattle numbers started increasing in 1928 and were due to continue increasing for at least another year or two, but the drought has changed all this, it is stated. Cattle numbers will be greatly reduced on January 1, 1935 as compared with January 1, 1934.

TWO BULLETINS, one entitled "Requirements for Economic Plans Affecting Agriculture", and the other entitled "Who Pays for the Hog Reduction Program?" have been issued by Iowa Experiment Station as part of a series of bulletins on "Prospects for Agricultural Recovery".

ILLINOIS, on September 1, became the fifteenth State to attain freedom from bovine tuberculosis and to receive Federal recognition for that achievement.

TRANSFER of the divisions of Soil Fertility and of Soil Microbiology from the Bureau of Chemistry and Soils to the Bureau of Plant Industry and the transfer of the Insecticide division of the Bureau of Chemistry and Soils to the Bureau of Entomology and Plant Quarantine were recently announced by Secretary Wallace "to bring about closer coordination of research along related lines in the Department of Agriculture".

WIDESPREAD UNDERCONSUMPTION OF MILK was revealed in a preliminary report submitted, September 11, by Fred C. Howe, Consumers' Counsel, AAA, to representatives of twelve leading national women's organization. Of 29,485 families included in the survey, more than 14 percent reported they bought no fresh milk at all. Average purchases of fresh milk by all families amounted to less than .6 of a pint per capita daily.

A PUBLIC HEARING on proposed amendments to the commercial and breeder hatchery industry code will be held by the AAA at Washington, D.C., September 19. The proposed amendments include provision for labeling containers for hatchery products, notifications to customers concerning shipping dates, substitution of chicks, restricted settlings, and auction sales regulations.

EARLY ACTION will be taken by the AAA to provide for the orderly marketing in the United States of accumulated cane sugar stocks and new crop supplies which will be available for marketing after January 1 next, Secretary Wallace has announced.

CREATION OF A NATIONAL POOL to facilitate sales and purchases of surplus tax-exemption certificates issued under the Bankhead Cotton Control Act was announced, September 5, by Secretary Wallace, who fixed four cents a pound as the price for which the tags shall be sold throughout the Cotton Belt.

STATE AND FEDERAL MARKETING ACTIVITIES AND OTHER ECONOMIC WORK

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ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

September 19, 1934

Vol. 14, No. 38

USE OF ORCHARD CRATES CUTS APPLE PACKING COSTS

The Department of Farm Management in Massachusetts, as a result of cost studies made on 22 fruit farms in that state, points out that the cost of harvesting represents about one-fourth and grading and packing about one-eighth of the total cost for apples. Harvesting, grading and packing would therefore represent approximately 40 percent of the total costs. If economies are to be effected in harvesting and packing operations, it is stated, attention must be given to the reduction of labor since labor represents 67 percent of the harvesting and grading costs.

Methods suggested for reducing labor include the use of a low down wagon and the orchard crate which can be packed in the orchard and moved directly to permanent storage or market. Labor cost for packing the crate in the orchard is reported at about 4 cents against 6 to 10 cents for the box in the packing house. This is comparing the jumble pack of the crate with a wrapped or layer pack in the box. The net difference in cost for the container and packing is reported at about 7 cents less for the crate.

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CALIFORNIA WOULD PROBATE SHIPMENTS OF ARTICHOKE

Hearings on petitions for the institution of an artichoke shipping prorated order proposed for several counties in California are being held this week at Santa Cruz and San Rafael by the California Agricultural Prorate Commission. Records in the commission offices show that more than two-thirds of the artichoke growers in five counties have signed the petitions and that the acreage represents considerably more than the two-thirds required by the prorated law.

Following the hearings the commission will meet to order the prorated officially, provided the evidence adduced at the meeting is sufficient to warrant that action. If the prorated is ordered it will be the sixth to be instituted by the commission, other prorates being two on lettuce and one each on potatoes, apples, and Concord grapes.

The secretary of the commission has stated that it is the hope of those backing the artichoke prorated program that the official order can be made so that curtailment of shipments, mostly to New York, Chicago and Philadelphia markets, may be made by October 1. The commission, at

its meeting, will give preliminary consideration to petitions looking toward a prorate of celery shipments next winter from the Delta district, and petitions proposing a proration of sweet potato shipments from Merced, Stanislaus and San Joaquin counties.

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NORTH DAKOTA SCHEDULES TURKEY GRADING SCHOOLS

Information on Federal grade standards and training for prospective turkey graders will be offered at two turkey grading schools to be held November 5 and 6 in Jamestown, North Dakota, and November 7 and 8 in Minot, North Dakota. The training will be free and no charge will be made for a license. Persons qualifying for a Federal grading license will be employed as needed by the state. The schools will be conducted by Thomas W. Heitz of the Federal Bureau of Agricultural Economics.

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PENNSYLVANIA CHARTS COURSE OF FARM PRICES

Reporting on the farm price trend in Pennsylvania during the past three years, Pennsylvania Department of Agriculture says that between October 1931 and February 1933 there was a gradual decline in both farm prices and prices of other commodities. Since February 1933 there has been an upward trend in both classes of prices. Since the beginning of recovery, the high point in the Pennsylvania farm price index was reached in November last year. A sharp recession occurred in December and January, after which some recovery has taken place. So far this year, it is stated, the rise in farm prices has been practically offset by the increase in prices farmers pay for things purchased, with the result that no material change has taken place in the ratio between prices received and prices paid.

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BUREAU OPENS FEED INFORMATION CENTER AT KANSAS CITY

Establishment of a feed information clearing house at Kansas City, under the direction of E. O. Pollock of the Bureau of Agricultural Economics, as a function of the Federal Livestock Feed Agency of the AAA, was announced at Washington, September 15. The agency will clear information with regard to hay, grain, forage and other feeds for livestock. It will gather information as to location of feed supplies in areas where there is a feed surplus, and data on needs in areas where there is a deficit. Contact will be made with producers, manufacturers and distributors of feeds to arrange for distribution and to assist in directing applicants for feed to best sources of supply. Periodical surveys of supplies of all livestock feeds will be made. Reports will be issued relative to supplies, prices, market movements, demand, and other essential factors. Information will be distributed in the drought areas regarding corn fodder, soybean, lespedeza and other forage crops that have been purchased or upon which the government has placed a guaranteed price.

NEW JERSEY HOLDS HEARINGS
ON MILK BOARD VIOLATIONS

New Jersey Milk Control Board held a series of hearings September 18 requiring distributors who have been persistent violators of rules and orders of the board, to show cause why their applications for licenses should not be denied, or if licenses have been issued, why they should not be revoked.

Among the cases, a dairy was refused a license on the ground that it had failed to pay producers according to the board's orders and had failed to charge the full price to its customers; another firm was served with an order to show cause why its application for a license should not be denied, because of persistent violations of the board's regulations in buying and selling milk at less than the board's minimum prices; another defendant was fined \$25 and costs and given only a conditional license because the defendant had operated without a license and failed to keep adequate records, and another defendant was refused a license for failing to pay producers the board's prices, making false reports to the board, failing to file a surety bond with the State Department of Agriculture, and failing to secure a license from that department.

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CALIFORNIA DEPARTMENT
REVOKES DEALERS LICENSES

Continuing its campaign against produce brokers who defraud growers, California Department of Agriculture recently revoked licenses of operators at Oakland and Los Angeles. One firm owed a score of farm creditors a sum in excess of \$7,500, but about two-thirds of this amount is expected to be recovered through a \$5,000 surety bond. Two operators in the Imperial Valley and other sections of Southern California lost their licenses for failure to pay for shipments received from growers.

This disciplinary action, says the department, is aimed at the deplorable but widespread practice of gambling with growers' produce, adding that "while this sort of speculation cannot be stopped entirely, dealers and brokers who cannot maintain good business standing and financial integrity should be excluded from the business."

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BETTER HOME MARKET
FOR RICE IS SEEN

A wider home market for American-grown rice is expected to result from experiments just completed by scientists of the Federal Bureau of Plant Industry, who have discovered that soaking and par-boiling rough rice before milling cuts down breakage of kernels and reduces the tendency to become ragged in cooking or when foods are sterilized in the can. The bureau has applied for a public service patent on the process which would make it available to all millers.

UNITED STATES STANDARDS for greenhouse leaf lettuce, greenhouse tomatoes, and greenhouse cucumbers have been issued, effective October 1, by the Bureau of Agricultural Economics.

THE COST OF DISTRIBUTING FLUID MILK, cream and other dairy products in the Los Angeles sales area for the year 1933 is the subject of a mimeographed preliminary report recently issued by California Division of Markets. John Marshall, Jr. is the author.

TRUCKS carrying meats, vegetables and other perishables may now be refrigerated by the same gas that runs the motor, a commercial licensee of the system has announced. Petrogas, a hydrocarbon distillate, is used both as fuel and refrigerant. Two large packing plants are reported to be making arrangements to use the system.

A "DATED" DELIVERY SYSTEM guaranteeing housewives 1-day old infertile eggs is reported to have been developed by the Missouri Egg Producers' Association. The Mepa dated infertile eggs, "laid the day before you buy them," are delivered, according to the association in a newspaper advertising campaign at St. Louis, to route supervisors the day they are laid. The eggs are then graded and are on sale the day after. "Each day our drivers pick up the eggs left from the day before and sell them to wholesale buyers in other cities." The cartons carry seals bearing the date on which the eggs were laid.

A SCHEDULE OF PACKAGE STANDARDS in accordance with the terms of the marketing agreement for shippers of California dates has been approved by the AAA. Amendments to the license provide for establishment of six grade classes for all varieties of dates as contrasted with thirteen grades originally listed. The approved grades are divided into six classes, - perishable, standard, dry, true bread dates, culls, and off-grades. Provision is also made for package standards controlling the type and size of package in which dates may be marketed.

A PUBLIC HEARING on the proposed code of fair competition for the cotton compress and warehouse industry will be held at Washington, D.C., September 24.

A TOTAL OF 5,164,954 CATTLE had been purchased on the ranges of 21 drought-stricken western states up to September 12, under the AAA cattle purchase program.

THE PLAN AND THE PHILOSOPHY of the New Deal for American agriculture constitute the thesis of a 52-page booklet entitled "Achieving a Balanced Agriculture", recently issued by the AAA.

"CARLOT SHIPMENTS and Unloads of Important Fruits and Vegetables for the Calendar Years 1931 and 1932" has been issued as Statistical Bulletin 46 by the U. S. Department of Agriculture.

REVISED ESTIMATES of wheat acreage, yield and production, 1866-1929 have been issued in a mimeographed report by the Bureau of Agricultural Economics.

STATE AND FEDERAL MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK ★ OCT 1 - 1934

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

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Vol. 14, no. 39

TEXAS STUDIES MARKETING OF MIXED CARLOADS OF PRODUCE

Citing results of a study of mixed carload distribution of vegetables from the Lower Rio Grande Valley, Texas Experiment Station says that such shipments reduce risks to shippers in marketing new vegetables; small quantities may be shipped to many markets as against a few straight carloads to limited numbers of markets; the mixed carload has been particularly influential in increasing fall and winter shipments.

The survey revealed that motor truck shipments have largely supplanted mixed carload shipments to markets within trucking distance of the Lower Rio Grande Valley, and to markets within trucking distance of the large distributing centers.

For the twenty-one shipping seasons ending with 1930-31, mixed carloads accounted for 29 percent of all carload shipments of vegetables from the Lower Rio Grande Valley. During the five-year period, 1926-27 to 1930-31, cities of 40,000 population or less, to which mixed carloads were shipped, received an equivalent of 37.5 carloads per 100,000 population in mixed carloads and cities of 1,000,000 population or more, 9.3 carloads.

The mixed carload, it is stated, has been a factor in expanding the outlet for staple vegetables in small markets and for specialty vegetables in large markets.

The Station will soon distribute a bulletin giving the detailed results of the study.

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NEW JERSEY LICENSING CASE DECISION REVERSED

The protection accorded New Jersey farmers under laws providing for the licensing of agricultural dealers has been strengthened by a recent decision of the New Brunswick District Court, in the opinion of New Jersey Department of Agriculture. The court reversed its original decision in the case of the State versus a New Brunswick produce dealer, and awarded a judgment of \$100 and costs against the defendant, who was charged with violating the State produce dealers licensing and bonding law.

The reversal of the decision followed a ruling of the State Supreme Court, last May, that, contrary to the original ruling and the defendant's claims, a check is not the equivalent of cash and the action should be retried on that basis. The original defense was that the

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defendant was paying farmers by check and was therefore exempt from the provisions of the licensing law. The defendant was charged with purchasing produce without a license.

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ILLINOIS FEEDERS CAUTIONED
AGAINST BUYING "BARGAIN" CATTLE

Illinois feeders are being told by Illinois College of Agriculture that the critical feed situation will make it necessary to buy feeders on a different basis than has been the case for the past several years if the venture is to be a success. Only farmers with plenty of corn will be in a position to feed calves successfully, it is stated, while farmers with limited supplies of grain will be wise to confine their purchases to yearlings and two-year-old cattle. It seldom pays, and certainly not this year, to buy cattle because they "look like a bargain", with little or no thought as to whether or not they are adapted to the feed supplies and shelter equipment available for them at their new homes, says the college.

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REVISED BUREAU FARM PRICE INDEX
INCLUDES ADDITIONAL PRODUCTS

Revision of the index numbers of the price of farm products based on prices gathered since 1910, with the inclusion of twenty products not previously covered, has been completed by the Bureau of Agricultural Economics. This revision presents two new price series, one for dairy products and the other for tobacco, and also adds a group of truck crops. The weights for marketings are changed from a base of 1918-1923 to a 1924-1929 base. This revision was begun in 1931, utilizing the 1930 census data and other information gathered by the crop estimating service. The new index covers 34 major farm products and 13 commercial truck crops, whereas the previous series included only 27 major farm products. This revision does not change the individual price series now in use for "basic" commodities and does not change "parity prices" of these products. The new series of index numbers, by months, has been computed by the bureau since 1910 and is available on request to the bureau.

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WOULD STOP PRICE-CUTTING
AT BABY CHICK AUCTIONS

Methods for prevention of unfair methods of competition and destructive price-cutting at chick auctions were proposed by the industry at a public hearing on proposed amendments to the hatchery code, held at Washington, D. C., September 19, by the AAA. An amendment was proposed to change the provisions of the code which prohibit sales below the producers' or sellers' cost of production. Representatives of the industry from Pennsylvania contended that a minimum price clause was necessary to the code to avoid price-cutting and unfair competition at auctions. Opponents of the proposed amendment declared that establishment of a minimum price would endanger the value of chick quality and price gradings, as it would tend to become the standard price. The proposed changes are being considered in drafting amendments to the code.

CORN LOANS RAISED TO
FIFTY-FIVE CENTS A BUSHEL

Details of a new corn loan plan, providing for loans of 55 cents per bushel at 4 percent on 1933 and 1934 corn stored on farms according to state warehousing requirements, were announced by the AAA on September 22.

The new loan value is 55 cents per bushel as compared to 45 cents last year; the maturity date of the new loans will be June 30, 1935; holders of notes may, if they wish, call the loans while corn is at or above 85 cents on the Chicago market; the borrower will be required to take out primary insurance covering fire, lightning, and windstorm on the corn on which loans are made; old corn, stored in temporary or unsuitable cribs will not be accepted for loans.

Loans will be available in Colorado, Illinois, Indiana, Iowa, Kansas, Minnesota, Missouri, Nebraska, Ohio, and South Dakota. Corn must be No. 4 ear corn, or better. The standard of measurement is 2½ cubic feet per bushel.

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IOWA LISTS MANY MARKETING
AND ECONOMICS BULLETINS

Iowa Experiment Station has available a number of bulletins of especial interest to marketing officials. Some of the titles are: "Accounting Records for Livestock Shipping Associations"; Commercial Movement of Iowa's Corn and Oats"; "Improving the Domestic Market for Lard"; "Marketing Iowa's Poultry Products", and "Creamery Business Problems". A long list of bulletins dealing with numerous economic phases of agriculture is also available.

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DELEGATES NAMED TO INSTITUTE
ASSEMBLY AT ROME

Members of the delegation from the United States to the twelfth general assembly of the International Institute of Agriculture at Rome, beginning October 22, appointed by the Secretary of State on recommendation of Secretary Wallace, are: Dr. Rexford G. Tugwell, Undersecretary of Agriculture, as chairman; Dr. H. C. Taylor, permanent delegate; Dr. W. H. Stevenson of Iowa State College of Agriculture and formerly American delegate to the Institute; Louis G. Michael, American agricultural attache in Yugoslavia, Belgrade; Nils I. Nielsen, American agricultural attache at Paris; Dr. O. C. Stine of the Bureau of Agricultural Economics, and Paul H. Appleby, assistant to Secretary Wallace, who will serve as assistant to the chairman of the delegation.

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APPROXIMATELY 6,500,000 HEAD of drought cattle will have been purchased by the government by September 29 when present cattle purchase quotas expire, according to AAA estimate.

HOG PRICES during the marketing season this winter are expected to average substantially higher than prices last winter, in view of the prospective smaller slaughter supply, says the Bureau of Agricultural

Economics. Prices at the end of August were the highest in more than three years, but some seasonal decline in prices from the relatively high levels in early September is expected during the next few months.

ILLINOIS CORN GROWERS should have plenty of seed available from the state's 1934 crop for planting a normal crop of around 8,000,000 acres next season, says J. C. Hackleman, Illinois College of Agriculture.

TENTATIVE PLANS to finance feed procurement and conservation plans of the Federal Livestock Feed Agency through a loan of \$50,000,000 from the Reconstruction Finance Corporation have been announced by the AAA

A PUBLIC HEARING on a proposed marketing agreement and issuance of a license for the paper shell pecan marketing industry in North Carolina, South Carolina, Florida, Georgia, Alabama, Mississippi, Louisiana, Texas, Oklahoma and Arkansas, will be held by the AAA at Montgomery, Alabama, October 1.

IMPORTATION of specific lots of bagasse under conditions judged by the Department of Agriculture to be safe will be permitted beginning October 1, under revised quarantine regulations dealing with this product.

HEARINGS on the proposed marketing agreement on early potatoes will be held by the AAA at Muskogee, Oklahoma, October 1; Wharton, Texas, October 4; New Orleans, Louisiana, October 8, and Foley, Alabama, October 11.

IOWA FARMERS may find a satisfactory market for soybeans next year, says L. G. Allbaugh, Iowa Extension Service, pointing out that the demand for soybeans is strengthened by the crop's resistance to drought and chinch bugs and that a new market for seed is opening up in Kansas and Nebraska, where soybeans are increasing in popularity.

TOMATO CANNERY INSPECTION is being conducted on a graded basis at twelve factories in Maryland, reports Maryland Department of Markets. Studies on the grading of sweet corn are being made by the department.

"THE AGRICULTURAL ADJUSTMENT ACT AND ITS OPERATION" is the title of a pamphlet recently issued (revised August 1934) by the AAA.

A SMALLER CROP of sweet clover seed in 1934 than at any time during the last five years is foreseen in estimates by growers, although it is yet to be determined just how seriously production was affected by the drought, says the U. S. Department of Agriculture.

AN AMENDMENT to the existing license for the Baltimore milk sales area to include bakery and confectionery milk in the Class 1 price schedule, and a slightly lower price for Class 3 milk has been completed by the AAA.

THE PROHIBITION against destructive price-cutting, written into the code of fair competition for the wheat flour milling industry but stayed by the President at the time the code was signed, has been made effective through lifting the stay on the provision by the President, the AAA has announced.

STATE AND FEDERAL MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

October 3, 1934

Vol. 14, No. 40

NATIONAL ASSOCIATION OF MARKETING OFFICIALS TO MEET IN NEW YORK CITY, NOVEMBER 15-17

The Sixteenth Annual Convention of the National Association of Marketing Officials will be held in New York City, November 15 to 17, inclusive. The Officers of the Association are now organizing the program, which promises to be the "biggest and best" in Association history. Last year, the meeting was called "Marketing and the New Deal". No title has been selected as yet for this year's meeting, but it is understood a feature of the program will be an exploration of marketing from the point of view of shippers, dealers, wholesalers, retailers, and other interests engaged in the daily business of marketing, as well as from that of State and National marketing officials. Full details of the program, topics, and speakers will be announced in this publication as soon as they become available.

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CALIFORNIA PRODUCE DEALERS LAW CLARIFIED BY DECISION

Persons or firms licensed in California as slaughterers but handling other farm produce are not exempt from the licensing provisions and other regulations of the California Produce Dealers Act, according to an opinion by Attorney General U. S. Webb of California.

Under the Agricultural Code of California, slaughterers are exempt under the licensing requirements of the Produce Dealers Act, by reason of an exemption written into the law at the 1933 session of the legislature. However, firms engaged in slaughtering livestock on some occasions also make a practice of purchasing other farm products. Several licensed slaughterers recently objected to qualifying under the Produce Dealers Act, pointing out that the exemption provided for slaughterers covered all their activities, whether or not connected with the actual slaughtering of the livestock. Webb ruled that slaughterers are exempt only so far as they are solely and actually slaughterers, and are not exempt with reference to their operations in the purchase and sale of poultry, fruits, or any other farm product except livestock.

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UNITED STATES STANDARDS for rough celery, effective October 8, have been issued by the Bureau of Agricultural Economics.

U. S. Dept. of Agriculture
Bureau of Agricultural Economics
Washington, D. C.

NEW JERSEY EGG LAW
IMPROVES MARKET

The New Jersey Fresh Egg Law, in effect less than three months, is credited by New Jersey Department of Agriculture with having improved the market for fresh New Jersey eggs. It is stated that such eggs at the beginning of September were selling at auction markets in the state at prices higher than those of last spring, and higher than the average at this time of year. Prices at the auctions were 4 to 8 cents above New York quotations for eggs of comparable grades.

The department says that by greatly diminishing the competition from non-fresh eggs, which formerly were passed on to consumers as "fresh" the law has increased the demand for fresh eggs from poultry farms in the state. A larger number of dealers are obtaining eggs at New Jersey auctions and directly from poultry farms, and in every case, it is stated, buyers are willing to pay higher prices than those quoted for the New York market. Before passage and enforcement of the law, they offered one to two cents less than the New York quotations.

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ILLINOIS SAYS REPETITION OF
LEAN CROP YEAR UNLIKELY

Repetition of the disastrous crop season of 1934 is not likely in the immediate future, and therein lies hope for the farmer who is planning ahead, says Dr. L. J. Norton, Illinois College of Agriculture. For the farmer who is looking quite a ways ahead, he declares, the decreased numbers of hogs, cattle and sheep on account of the short feed supplies means that the balance between livestock and feed prices is likely to be more favorable to livestock after the 1935 crops are harvested than is the case at present. In view of this prospect, he adds, it will be profitable to maintain good foundation breeding herds wherever it is possible to do so in any way, even in areas where feed supplies are very short.

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IOWA SAYS FARMERS MUST
LIQUIDATE MORE LIVESTOCK

Although government buying of cattle was recently stopped, it looks as if there will have to be considerably more liquidation of both cattle and sheep before the end of the year, says Iowa Extension Service.

"Unless estimates of feed supplies have been off," it is stated, "there is only about 70 percent as much feed available as there has been, on the average, during the past five years. The 70 percent figure does not really tell the story, however, for the situation is much worse than that in some areas. And it is a difficult problem to haul forage and other bulky feeds long distances.

"For some farmers," the Service concludes, "the only solution is to sell off the livestock. In some cases this will be a blessing in disguise, since it will remove poorer stuff from herds and leave better breeding stock. But in far too many cases it will mean that pure-breds and other first class stock will have to be sold."

(Authorizations to purchase approximately 522,000 head of cattle in 18 drought states, in addition to those acquired under quotas which expired September 29 were announced on September 28 by the AAA, the new authorizations to expire October 13).

ILLINOIS FINDS "SUPERIOR"
FARM MANAGEMENT PAYS

Superior management alone made a difference of \$1,873 a year over a three-year period between the average net income of the thirty best farms and the income of the thirty poorest farms out of a group of 160 farms in LaSalle, Grundy, Marshall, and Putnam counties, reports Illinois College of Agriculture.

Approximately 1,000 farmers turned out to study the results of the records at a recent "round-up" meeting of the account keepers held at Ottawa, Illinois. M. L. Wilson, Assistant Secretary, U. S. Department of Agriculture, who appeared on the program, declared that the emphasis in farming must continue to be placed upon efficient production regardless of whatever necessity there was for adjusted production.

The thirty most profitable farms in the group of 160 realized an average annual net income of \$1,384 during the three years of 1931, 1932, and 1933. In contrast, the thirty poorest farms lost an average of \$489 a year. Greater returns for feed fed to livestock, better crop yields, lower cost of man labor, lower cost of power and machinery, better selection of crops, better prices for grains and lower miscellaneous expenses, including taxes, accounted for most of the difference in earnings between the two groups of farms.

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DIGEST OF THE NEWS FROM
BUREAU OF AGRICULTURAL ECONOMICS

The Bureau of Agricultural Economics has announced a decision that the use of certain names and descriptions in connection with the sale of grain is contrary to the provisions of the United States Grain Standards Act. (Details will be supplied by the bureau, on request).

Increased production of butter, cheese, evaporated milk, and powdered milk, but decreased production of condensed milk and ice cream last year as compared with 1932 were recently reported by the bureau. Other news releases declared that prices of dairy products the first half of September lost a large part of the August advance; that farmers' cash income from sales of farm products, AAA benefit and rental payments, and from cattle bought by the government totaled \$572,000,000 in August, or \$78,000,000 more than in July, and \$159,000,000 more than in August last year, and that basic improvement in the world wheat situation through reduction of stocks to a more normal level by the end of this season is seen by the bureau.

Alfalfa seed production this year, it is expected, will be approximately 40,000,000 pounds, or about one-fourth smaller than last year; inactive markets and low prices characterize the world wool situation, and leading features of the world dairy situation are reduced production in the United States, continued decline of butter imports by Germany, opening of the new seasonal production year in New Zealand and Australia under favorable conditions, and record shipments to British markets.

"DELIVERY DATE" MEANS TIME
OF SHIPMENT IN F.O.B. CLASS

The Secretary of Agriculture has just rendered under the Perishable Agricultural Commodities Act a decision to the effect that in f.o.b. transactions the delivery date is the date on which the shipment is turned over to the carrier, and that the nine months limitation placed on the filing of complaints of failure to deliver runs from that date and not from the date on which the shipment arrives at destination.

In this case two cars of tomatoes were bought f.o.b. shipping point and were shipped on June 11, 1932. One car arrived in Jersey City on June 16, the other on June 17, and the receiver had inspection made on the dates they arrived. The cars were delivered at Pier 29 on June 19. Complaint alleging failure to deliver was not received by the Department of Agriculture until March 17, 1933, the complaint being dated March 16.

The Secretary held that since the records thoroughly disclosed that both cars of tomatoes were sold f.o.b. shipping point in Texas the cause of action was based on a breach of contract occurring not later than June 11, 1932, the date both cars were shipped. Since the complaint was not filed until March 17, 1933 more than nine months had elapsed from the time the cause of action accrued. The Secretary's position is that the statutory limitation in the Perishable Agricultural Commodities Act relates to his jurisdiction and that this is in accordance with the decisions of the courts where similar provisions have been constructed. Cases referred to in support of this construction are Louisville Cement Company vs. Interstate Commerce Commission, 246 U.S. 638, and Aachen & Munich Fire Insurance Co. vs. Morton, 156 Fed. 654.

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CURRENT EVENTS IN THE AAA

A new code authority to administer the code of fair competition for the wheat flour milling industry is to be elected by November 1, under the terms of a code authority election plan approved by Secretary Wallace.

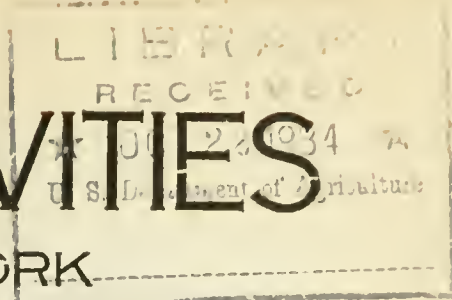
An amendment to the Boston, Massachusetts, milk license was approved September 25 by Secretary Wallace, to provide for an increase of 31 cents per 100 pounds in the price for Class 1 milk testing 3.7 percent butterfat, f.o.b. railroad delivery points, or delivered to distributors' plants.

Puerto Rican sugarcane growers who cooperate in the sugar adjustment program now under way, will receive adjustment payments of \$4 per short ton for that part of their cane of the 1934-35 crop which, because of the sugar program is not processed.

An adjustment program for peanuts which is designed to bring supply into line with consumption by diverting a portion of the 1934 crop into oil, or feed for livestock, and limiting acreage in 1933 was announced on September 29.

A program for beet sugar growers of the United States for 1934 and 1935, designed to increase their 1934 income by about 15 million dollars over what they would otherwise get was announced on October 2. The program may be extended to 1936 at the discretion of the Secretary of Agriculture.

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SIDNEY A. EDWARDS APPOINTED
DEPUTY AGRICULTURAL COMMISSIONER

Appointment of Sidney A. Edwards as Deputy Commissioner of Agriculture for Connecticut has been announced by Commissioner Olcott F. King of that State. Mr. Edwards has been Director of Marketing in Connecticut since 1928. He takes the place of Leonard H. Healey, who has retired as Deputy Commissioner.

James M. Gwin, who has been in the department for more than five years in charge of poultry and egg inspection work, has been made chief inspector of all farm products. Francis P. Adams has been appointed to take care of the seed inspection formerly done by Deputy Commissioner Healey, and of some egg and poultry inspection work.

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NEW YORK REPORTS ON MILK
SALES THROUGH RETAIL STORES

About one-fourth of the milk sold to consumers in New York City is sold through stores, according to studies made by H. W. Mumford and H. R. Varney, New York College of Agriculture. Approximate figures for upstate cities show what part of all milk sold comes from stores: Buffalo, one-third, or 33 percent; Jamestown, one-sixth, or 17; Poughkeepsie, 17; Albany, 15; Syracuse, one-eighth, or 12; and Binghamton, 11 percent. In Rochester, about 17 percent of the milk and 13 percent of the cream is distributed through stores.

The Cornell economists say that, on the average, in most upstate cities, each independent store sells about fifteen quarts of milk and one quart of cream daily. Of the chain stores, each sells about one-third more than do the independents.

The sale of milk through stores has increased rapidly in the last ten or fifteen years, it is stated. The New York state division of milk control allows stores that do not deliver to sell milk at one cent less a quart than the retail delivered price. In July, 1934, New York and Utica were the only cities where the stores were reported to be making this cut.

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THE AGRICULTURAL OUTLOOK CONFERENCE, this year, will be held October 29 to November 3, inclusive, by the Bureau of Agricultural Economics, at Washington, D. C. Following the conference, the bureau will issue an outlook report on major farm crops and livestock.

U. S. Dept. of Agriculture Library,
Attn., Miss Trolinger,
4 K Washington, D. C.

IOWA PREDICTS LESS THAN SEASONAL HOG PRICE SLUMP

That the seasonal reduction in hog prices this fall will not be nearly as much as usual is predicted in the October issue of Agricultural Economic Facts, Iowa State College Extension Service publication.

"It is likely," the circular states, "that the same factors which have caused a somewhat earlier marketing of hogs all year than would usually be anticipated will also cause a larger-than-usual percentage of the winter's marketings to appear before the end of 1934.

"High points about equal to the August prices may be reached during the next few weeks, but the general trend will probably be downward." The 1933 fall pig crop, though nearly normal, began appearing on the market much earlier than usual last spring, because of high corn prices and drought conditions, it is stated. No increase in demand for pork products is expected this fall.

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NEW JERSEY HITS "HORSE TRADING" PRACTICES

Too many cattle transactions in New Jersey have all the aspects of old-time horse trades, says New Jersey Department of Agriculture, cautioning farmers to buy only from reliable dealers licensed under the State Cattle Dealers Licensing Law.

Some dealers give a "99-year guarantee" on a cow, says the department. Such guarantees are ridiculous, it is stated, as are also practically all guarantees that the cow will give 60 quarts or any other quantity of milk per day. A list of licensed dealers may be obtained from the department, at Trenton, New Jersey.

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NATION HAS FOOD SUPPLY ENOUGH FOR NORMAL NEEDS

The nation's food supply is being rapidly adjusted as between deficit and surplus producing areas, and with sufficient food in the aggregate to meet normal consumption needs a slower rate of increase in retail prices is expected during the remainder of this year than occurred during the past three months, according to a report by the Bureau of Agricultural Economics.

The bureau points out that much of the reduction in the production of food crops in the drought areas has been offset to a large extent by a bountiful production in eastern and far western States and carry-over stocks from previous years. The nation's food supply as a whole will be ample this fall and winter, it is stated, although consumers will have to make certain shifts in their usual diet because of the scarcity of some foods and the abundance of others.

The full effect of the drought on retail food prices will not be felt until next spring, says the bureau, when supplies of meats, dairy products, and poultry products will be reduced. Nothing in the present situation, it is stated, indicates a reason for any substantial increase next spring and summer in prices of bread and flour, fruits, vegetables, and canned foods.

LOANS MADE AVAILABLE
ON WAREHOUSE COTTON

Production credit associations in the southern and southwestern states have been authorized to make 4 percent loans up to 12 cents per pound on warehouse cotton stored in conformance with the requirements of the Commodity Credit Corporation, by the Farm Credit Administration.

Producers with such stored cotton may obtain loans or refinance their existing indebtedness to the associations in amounts up to 12 cents per pound on cotton classed low middling or better in grade, and 7/8 inches or better in staple, and up to 11 cents per pound for stored cotton classed low middling or better in grade, and below 7/8 inches in staple.

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NEW JERSEY MILK DEALERS
ARE ASSESSED HEAVY FINE

A firm of milk dealers at Irvington, New Jersey, were recently fined a total of \$1,250 and \$100 by the New Jersey Milk Control Board, when the defendants plead guilty to 25 Board violations, including price cutting, offering free service, failure to file reports, and selling to unlicensed dealers. The Chairman of the Board declared that the defendants had continuously and notoriously been guilty of unfair, unjust, destructible, and demoralizing practices.

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FEED INFORMATION SERVICE
AVAILABLE AT KANSAS CITY

The Information Office of the Federal Livestock-Feed Agency, located at 755 Livestock Exchange, Kansas City, furnishes feeders in drought areas information as to the location of available feed supplies. This office is conducted by the Hay, Feed and Seed Division of the Bureau of Agricultural Economics under the direction of W. A. Wheeler, Chief of the Division, at Washington, D. C. E. O. Pollock is in direct charge of the work at Kansas City.

The Information Office will neither buy nor sell feed, nor distribute free feed, but will serve entirely as an information center on sources of supplies, needs of deficit areas, prices, and market conditions.

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FEDERAL COURTS PUNISH
SEED ACT VIOLATORS

Federal Courts, in August and early September, reported to the United States Department of Agriculture the termination of ten prosecutions instituted under the Federal Seed Act, on information supplied by the Bureau of Plant Industry cooperating with State authorities. These cases were reported from courts in Alabama, Ohio and Missouri. In one case a fine of \$200 was assessed a defendant, in having shipped into Tennessee 200 bags of "Red Top cane" knowingly misbranded as to germination. The seed was labeled "Germination 82%" and was found to germinate 36.5%.

THE INDEX OF PRICES received by farmers advanced 6 points during the month ended September 15. The advance was from 96 for August 15 to 102 for September 15, the highest index since December 1930. The comparable index number for September 15 last year was 80.

The index of prices paid by farmers was 126 on September 15, compared with 125 on August 15, with 121 on June 15, and with 116 on September 15 last year. The purchasing power of farm products in terms of commodities farmers buy was 81 on September 15, compared with 76 on August 15, with 71 on June 15, and with 69 on September 15 last year.

FARMERS AND STOCKOWNERS in the primary drought areas may now obtain feed loan allowances for pure-bred cows, heifers or bulls acquired for breeding purposes since April 1, 1934, the Farm Credit Administration has announced. Previously loans were not made to purchase feed for stock acquired after April 1.

THREE PUBLIC CONFERENCES to analyze and consider the status of three important plant pests, the white pine blister rust, gypsy moth, and Dutch elm disease, will be held at Washington, D. C., on December 3, 4, and 5, by the Bureau of Entomology and Plant Quarantine.

COTTON STATES whose production this year, according to official crop estimates, will exceed their Bankhead Act allotments will need to purchase only enough tax-exemption certificates to cover 411,223 bales of this extra production, whereas states whose production will be less than their Bankhead allotments will have for sale surplus certificates for the 1,639,474 bales difference between their production and their allotments, the AAA has announced.

REDUCED EMERGENCY RATES on livestock feed to drought areas, and on shipments of livestock out of drought areas for feeding and return, went into effect October 1. The basis of the emergency rates provides for a reduction to 50 percent of the normal rate on hand, and to 66-2/3 percent of the normal hay rate on forage and forage substitutes.

DISTRIBUTORS' GROSS OPERATING MARGINS on retail milk delivered to homes in fifty metropolitan markets of the country as of September 15, ranged from 4.41 cents per quart to 8.34 cents per quart, with a variation in retail prices from 9 cents to 15 cents per quart, according to the AAA. The margins were figured on the actual butterfat test prevailing in each market under which milk is sold, with the cost to distributors based on f.o.b. the city.

COMMERCIAL GROWERS in the twenty parishes comprising the Louisiana sugar belt, who ordinarily produce sugarcane for syrup, may market their 1934 crop to syrup mills with the assurance that they will receive benefit payments comparable to those which growers participating in the sugarcane for sugar adjustment program, now under way in the state, will receive, the AAA has announced.

MARKET PRICES for the 1934 peanut crop above \$59 a ton for Spanish peanuts, \$56 a ton for Virginias and \$50 a ton for Runners are expected to result from the peanut adjustment program of the AAA.

MARKETING ACTIVITIES

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U. S. Department of AgricultureA REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

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CONNECTICUT FARMERS URGED
TO STUDY REGIONAL MARKETS

Connecticut farmers are being urged by the Department of Agriculture in that State to make a study of regional marketing against the time when it may become advisable to develop a system of regional markets in Connecticut for the protection of Connecticut growers.

Declaring that drastic changes have been made in recent years in methods of marketing fruits and vegetables, and urging Connecticut farmers to keep informed on new methods and to adjust their present marketing system to meet changing conditions, the department cites as an example the development of regional markets in New York State. Since the opening of the regional market near Albany, New York, it is stated, practically every Connecticut vegetable grower has felt its effect through truck shipments by jobbers direct to Connecticut cities. These shipments have been sold in direct competition with local products, with the result that many Connecticut growers feel they may have to change their marketing methods. The regional market near Albany is owned by approximately 700 growers and serves as an outlet for produce formerly disposed of through city farmers' markets. Many Connecticut buyers who formerly bought locally are now making their purchases at the Albany market where large volume is available.

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NEW YORK SEED LAW REVISED
EFFECTIVE DECEMBER 1

A revised seed law that Prof. M. T. Munn, New York State seed analyst at Geneva Experiment Station, says will make possible the apprehension and prosecution of any seed vendor who misrepresents his seed stocks, either through advertisements or through mislabeling containers or bags, goes into effect December 1.

Prof. Munn reports that of the samples of beets, corn, lettuce, onions, oats, and turnips collected in the open market by State seed inspectors during the past season, 6 to 8 percent of the vegetable seeds proved to be dead, and that other lots were misnamed or were mixed varieties. Of the oats, a number which were sold for Swedish Select or for the Swedish type proved to be of uncertain type or a mixture of several sorts. Many of the corn samples were true to name, but others were misnamed.

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DON'T FORGET! The National Association of Marketing Officials meets in Sixteenth Annual Convention in New York City, November 15 to 17.

PENNSYLVANIA FARMERS ADVISED
TO TEST SELLING FEES IN COURT

Pennsylvania farmers forced by a municipality to pay a charge for the privilege of peddling products of their own raising have been advised by Pennsylvania Department of Agriculture to take their case to court.

Several different methods have been devised during recent years by borough and city officials to gain revenue from farmers on the one hand and apparently to discourage farmer-peddler competition with city merchants on the other, it is stated. This action of municipal officials is illegal, says the department, citing law on the subject. Deputy Attorney General James W. Shull, however, says that the State Department of Justice is unable to find anything in the Constitution or in statutes which prohibits cities or municipalities passing illegal ordinances, and suggests the only redress for farmers in such cases is to refuse payment of the license or fee and to appeal the case to the courts.

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LOUISIANA STRAWBERRY GROWERS
HARD HIT BY DEPRESSION

In a summary of a study of the factors affecting returns to Louisiana strawberry growers, just released in a mimeographed report by the Bureau of Agricultural Economics, it is stated that returns to these growers after deducting cash expenses averaged only about \$500,000 in the three-year period 1932-34 compared with about \$2,600,000 in the previous three years. Returns on an acre basis for each of the years 1932 to 1934 averaged approximately \$18 compared with \$105 per year for the period 1929-31. Since the average grower in the Louisiana district has only three or four acres in strawberries, the average returns in the last three years have not been sufficient for adequate maintenance of a family, and a greater production of vegetables and other crops for home use is recommended. Some savings seem possible through cooperative effort of growers, which might result in smaller financing costs and possibly in small savings in marketing expenses, says the bureau.

The bureau found that of the Chicago consumers' dollar spent for Louisiana strawberries in 1934, approximately 20 percent was for gross margins of wholesale and retail distribution, 20 percent for transportation and refrigeration, 7 percent for marketing and association charges at shipping point, and 52 percent was gross returns to growers.

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OHIO FARMERS TO BUY FEWER
WESTERN BEEF CALVES

Ohio farmers intend to raise more of their own beef calves and to buy fewer of them from western range cattlemen, says L. P. McCann, Ohio State University extension specialist. He says it has been clearly demonstrated in recent years that beef calves can be produced cheaply in Ohio, and that such calves are not subject to shipping fever nor are they set back by shrinkage in transit. Fourteen farmers who kept complete feed cost records on their beef breeding herds, last winter, brought their cows through the year at a feed cost of \$12.17 per cow. The herds, comprising 500 cows, had a 92 percent calf crop. Feed cost to produce one calf amounted to \$13.78.

COMPULSORY MEAT GRADING
SOUGHT BY MANY INTERESTS

Efforts looking toward compulsory grading of meats are being made in various parts of the country, following enactment of a city ordinance at Seattle, Washington, requiring the grading and stamping of beef, veal, lamb, and mutton according to grades developed by the Bureau of Agricultural Economics.

The bureau has been informed that through the activity of the Retail Meat Dealers Association, steps are being taken toward securing legislation in Wisconsin to make United States grading and stamping mandatory, and that similar plans are under way in Illinois, primarily through the activity of W. R. Cass, the editor of the Packers and Butchers Gazette, who claims to have obtained the endorsement of all womens' organizations in Chicago with which he has conferred, as well as of leading officials in livestock organizations. A State official in Virginia says he is moving toward similar legislation to make the grading and stamping of meats according to United States standards mandatory there. Steps have been taken by responsible men in the trade at Buffalo, New York, apparently looking toward similar results.

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LOUISIANA SAYS REGULATION
OF AGRICULTURE EXPANDING

The system of state regulation of our various agricultural industries is fast expanding over the Nation, says B.B. Jones, Louisiana Extension Service, who reports that in less than two years ten states have passed laws putting the marketing of milk under state control boards.

The Louisiana fruit and vegetable industry has been greatly helped, he says, by state regulations that have eliminated many of the practices which formerly caused great losses. State regulation of the milk business was sought by the industry itself in the recent legislative session, but the proposed law was vetoed.

Our marketing practices are becoming very complex, says Jones, "and in order to stabilize the market and keep the various industries on a profitable basis for both producer and distributor, it seems that state regulation will become more and more necessary."

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OHIO FARMER-OWNED GRAIN
ELEVATORS SHOW GAIN

The financial standing of farmer-owned grain elevators took a turn for the better during the fiscal year of 1933-34, reports Ohio State University grain marketing specialist B. A. Wallace. The year before, 40 percent of the companies reported a loss; in the year recently closed this percentage was reduced to 21.

Wallace reports that volume of business increased, rising from \$83,000 per company last year to \$102,000 for this year, the increase being due to price rises and larger tonnages handled. Expenses were 10.7 cents per dollar of sales. Financial condition of the 125 companies ranges all the way from insolvency to a book value of \$600 for a \$100 share.

EFFECTS OF THE DROUGHT of 1934 on feed, forage, and livestock are detailed in a mimeographed report just issued by the Bureau of Agricultural Economics.

LACK OF REGULATIONS to prevent the dumping of surplus chicks of poor quality from other sections of the United States frequently constitutes a handicap to New Jersey poultrymen, Dr. M. A. Jull, U. S. Department of Agriculture, told members of the Hatcher-Breeder Institute held at New Brunswick recently.

COURT FINES are being substituted in place of warnings in the enforcement of the Connecticut Fresh Egg Law, reports Connecticut Department of Agriculture.

UNITED STATES STANDARDS for cleaned (unshelled) Virginia-type peanuts, standards for farmers' stock Virginia-type peanuts, and standards for shelled Virginia-type peanuts have been issued by the Bureau of Agricultural Economics, effective November 1.

PRICES for this year's timothy seed crop, the smallest crop on record, are believed to be the highest ever paid growers, the average price on September 18 having been reported to the Department of Agriculture at \$16.80 per 100 pounds of clean seed. Prices on that date ranged from \$15.55 in northwestern Missouri to \$18.30 in northern Ohio.

FARMERS who are short of feed will find it better to sell animals now, even at low prices, than to try to winter them on starvation rations, says Prof. W. H. Peters, Minnesota University Farm.

A FURTHER CUT IN HOG NUMBERS for 1935 seems undesirable in view of the big cut in hog production this year due to the corn-hog contracts and forced liquidation in the drought sections, says E. L. Quaife, Iowa State College.

PRODUCERS who have lost their participation trust certificates in the Cotton Producers Pool of the AAA may obtain an additional advance of two cents a pound or offer their certificates to the pool for sale without delay despite the loss of the certificates, under a plan announced by the manager of the pool.

A PLAN FOR OPTIONAL PURCHASE of certain quantities of seed quality corn, to be selected as needed from corn sealed on farms under Commodity Credit Corporation loans, has been announced by the AAA. Producers having seed quality corn under seal as security for 55-cent corn loans would be encouraged to hold sufficient quantities of such corn exclusively for seed uses.

AN AGRICULTURAL ECONOMICS BIBLIOGRAPHY entitled "State Measures for the Relief of Agricultural Indebtedness in the United States, 1933 and 1934" has been compiled by the Bureau of Agricultural Economics.

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

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October 24, 1934

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DISTRIBUTION OF FARM PRODUCTS TO BE KEYNOTE
OF MARKETING OFFICIALS MEETING

The National Association of Marketing Officials will hold its sixteenth annual meeting at the Hotel Roosevelt, New York City, November 15, 16 and 17. The program has been organized for especial emphasis on food distribution methods and problems. Speakers on the various phases of this subject will include representatives of groups dealing with the marketing and distributing of farm products all along the line from producers to consumers.

Some topics to be discussed include the fruit and vegetable code as an aid to more efficient distribution, the container situation and necessity for further standardization, milk distribution, live poultry distribution costs, consumer interest in efficient food distribution, the importance of the motor truck in food distribution, what the railroads are doing and what they can do to meet the new situation in food distribution, what the various states are doing to meet the growing need for more adequate and more efficient distribution of perishable food products, and progress in marketing during 1934.

A consumers' forum will be held on the afternoon of November 16, to which will be invited several hundred women who are leaders in the various women's organizations of Greater New York. The general discussion in this forum will be led by Mrs. Frances A. Gannon, Deputy Commissioner, Department of Markets, City of New York.

The convention program is the most ambitious ever attempted by the National Association, but its success is assured through the expressed interest and cooperation of the various interests engaged in the production and marketing of farm products. Mayor LaGuardia of New York City will welcome the convention to the Metropolis. A harvest festival and banquet, in which several hundred guests are expected to participate, will feature the close of the convention on the evening of November 17.

Convention rates on any railroad may be obtained by securing special certificates for validation, in advance, from Sidney A. Edwards, Secretary of the N.A.M.O., State Office Building, Hartford, Conn.

Arrangements have been made to publish in the November 21 issue of "Marketing Activities" a summarized report of the meeting; later the National Association will have available a complete, printed report of the proceedings.

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CALIFORNIA COMMISSIONERS AND
FARMERS TO HOLD CONVENTION

The fall convention of the California Association of County Agricultural Commissioners will be held at Riverside, California,

December 17. The following day, and continuing until December 20, a convention of California fruit growers and farmers will be held at the same place, under the auspices of California Department of Agriculture.

Speakers on the agricultural commissioners convention program include Edward Hagen, chairman, Citrus Committee, Riverside Chamber of Commerce; State Director of Agriculture A. A. Brock; Jennings Pierce, agricultural director, National Broadcasting Company, San Francisco; Ira N. Gabrielsen, regional manager, division of game management, U. S. Biological Survey, and Guernsey Fraser, executive secretary, Associated Farmers of California.

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ILLINOIS ISSUES OUTLOOK FOR CATTLE INDUSTRY

Conditions which are expected to result in reduced supplies and make for higher cattle markets are reviewed in a beef cattle outlook statement prepared by a special committee of staff members of Illinois College of Agriculture. It is stated that there is a great decrease in the cattle population of the country as a combined result of the drought, short feed and supplies and the Federal cattle buying program, and that a smaller number of cattle is likely to be fed this winter on account of the reduced corn crop.

A factor of uncertainty in the markets for all farm products, says the college, is the outlook for business and consumer incomes. It is stated that "in spite of the setback which has taken place in business activity the last three months, the general trend in activity is probably upward."

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GOVERNMENT CAMPAIGNS FOR CLEAN BUTTER AND CREAM

An extended campaign to prevent filthy cream from reaching creameries has been launched by the Federal Food and Drug Administration. Producers will be instructed in the proper care of cream, and producers and buttermakers who fail to maintain satisfactory sanitary standards will be prosecuted. The Administration reported the seizure recently of filthy cream consigned to butter manufacturers in Louisville, Kentucky, and Cincinnati, Ohio, and many other consignments of cream which had not entered interstate commerce and were not subject to the Federal Act have been destroyed under State laws or city ordinances. Fifteen consignments of filthy butter were seized under the Federal Act in St. Paul, St. Louis, Cincinnati, New Orleans, Chicago, and New York City.

North Dakota Agricultural College reports that creameries in that state have been conducting a cream improvement educational program since last May.

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CONSUMER BUYING OF POTATOES according to United States Government quality standards is recommended in newspaper advertisements of Safeway Stores and Piggly Wiggly in Kansas City, Missouri. The copy cites official classification of potatoes, U.S. No. 1, and tells consumers when making comparison of potato prices to inquire the grade of potatoes offered for sale.

NORTHEASTERN AGRICULTURAL PROBLEMS
TO BE DISCUSSED AT MEETING

Problems of the northeastern milk, poultry, fruits, and vegetables industries will be surveyed and discussed at a meeting of representatives of the Farm Bureau, the Grange, Extension Services, and State Departments of Agriculture to be held at the Hotel Victoria in New York City, November 8, 9 and 10.

Speakers at the opening general session will include Dr. George F. Warren of Cornell, H. E. Babcock of the Grange League Federation Exchange, E. H. Thompson of the Farm Credit Administration, Allen W. Manchester of Connecticut Agricultural College, and F. P. Weaver of Pennsylvania Agricultural College.

A session on milk problems will deal with the dairy situation in the northeast with regard to production and use trends, and market stability; the relation of the northeastern dairy industry to the national situation; possibilities of cooperation between the dairy industry, state governments, and the federal government from the industry viewpoint, from the state viewpoint, and from the government viewpoint.

A poultry session will deal with economic trends of the poultry industry in the northeastern states, the effect of poultry codes and marketing agreements on New York producers, the effects of the code of fair competition on the New York live poultry markets, and the effect of feed prices on the poultry industry.

A general picture of the fruit and vegetable situation in the northeast will be presented by A. G. Waller of New Jersey Experiment Station at a session on the fruits and vegetables industry. Other topics at this session will include the apple situation, the potato picture with suggestions as to what might be done and the northeastern reaction, and the functions and limitations of regional and auction markets. Present problems in transportation, terminal markets and distribution organizations from the city viewpoint will be discussed by W. P. Hedden, Port of New York Authority; what has been done with agreements, by W. G. Meal of the AAA, and a system of marketing can-house tomatoes, by Albert B. Shaw of Maryland Department of Agriculture.

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IOWA SAYS SMALL, WEAK PIGS
ARE PROBABLE NEXT SPRING

Likelihood that many of next spring's pigs will be unusually small and weak and farrowed late is foreseen by Arthur L. Anderson, Iowa State College. Because feed prices are far out of line with hog prices, farmers are feeding breeding herds limited rations, he says. And the demand for boars is unusually light.

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INCLUSION OF FEDERAL CONTROL over motor-truck operation in a national organization regulating all forms of transportation, was recommended on October 22 by Federal Transportation Coordinator Joseph B. Eastman, addressing the convention of the American Trucking Association in Chicago. Mr. Eastman held that common transportation for hire has always been recognized as a proper subject of public regulation.

MORE THAN \$1,217,000,000 of farmers' debts were refinanced under the farm debt refinancing program of the Farm Credit Administration from June 1, 1933 through October 10, 1934, according to Governor W. I. Myers.

"FARM RESEARCH", a quarterly paper to be published by the Experiment Station at Geneva for the farmers of New York State, has just made its first appearance. The publication is an effort to put the work of the Experiment Station before farmers in a direct and concise manner and to inform them of the many direct services rendered by the Station.

"THE PRODUCTION OF SPRING VEGETABLES in the Lower Rio Grande Valley" is the title of a printed circular just issued by Texas Experiment Station. In a chapter on marketing it is stated that "most of the spring vegetables produced in this region are marketed by direct sale to buyer-shippers***Numerous efforts have been made in the past to harvest, pack and market Valley vegetables cooperatively" but this method "has not proved entirely satisfactory, because cash track markets could not be developed."

COTTON carried over on the last of August 1934, was slightly shorter in staple than last year's carry-over, but a little longer than the 1933 crop, reports the Bureau of Agricultural Economics.

TWO PRORATE ORDERS covering shipments of sweet potatoes in California, one zone embracing Kern, Los Angeles, Riverside and San Bernardino counties, and the other effecting Merced, Stanislaus and San Joaquin counties in central California, have been approved by the California Agricultural Prorate Commission.

A MARKETING AGREEMENT for the citrus industry of Florida has been tentatively approved by Secretary Wallace. It provides for two plans for proration to auction markets in addition to volume pro-ration. The basis of allotments to shippers is the quantity of fruit controlled by the shipper or his current performance, depending on which rating is higher.

SECRETARY WALLACE has announced that the cotton adjustment program would continue into the 1935 season. The announcement was made in order that the more than one million cotton farmers who signed 1934 and 1935 cotton contracts can proceed with their farming plans for the next season with full assurance that the voluntary cotton adjustment program will be made effective for 1935 under the terms of the two-year contracts.

RECENT MIMEOGRAPHED REPORTS issued by the Bureau of Agricultural Economics include "Index Numbers of Prices Paid by Farmers for Commodities Bought, 1910-1934", "Index Numbers of Prices Received by Farmers for Farm Products, 1910-1934, as revised 1934"; "Types of Farming Projects in Relation to Land-Use Planning" by C. L. Holmes; "Effect of Certain Bale Covers on the Spinning Behavior of Cotton"; "Farm Value, Gross Income, and Cash Income from Farm Production, 1931-1933, State Summaries."

PRELIMINARY WORK on the 1,000-mile Great Plains Shelterbelt Project has been begun, with men now in the field making detailed surveys of location, soil conditions, tree types, and other factors, reports the Forest Service.

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STATE AND FEDERAL MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

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A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

October 31, 1934

Vol. 14, No. 14

THE SIXTEENTH ANNUAL MEETING of the National Association of Marketing Officials, to be held at the Hotel Roosevelt, New York City, November 15, 16 and 17, is expected to draw the biggest enrollment in association history.

The program will be opened on November 15 with greetings from Mayor LaGuardia of New York, and a response by President H. B. Davis of the Association. This will be followed by an address on progress in the marketing field during 1934, by J. Clyde Marquis of the Bureau of Agricultural Economics. Gordon C. Corbaley, American Institute of Food Distribution, will discuss fundamentals to be considered in food distribution. The past, present, and future of the AAA will be the subject of an address by Dr. Mordecai Ezekial, Economic Advisor to Secretary Wallace. George Lafbury, President, National League of Commission Merchants, will preside at the afternoon session on November 15, when addresses will be delivered on the fruit and vegetable code as an aid to more efficient distribution, by Edgar W. J. Hearty, New York City, Executive Director, Code Authority, and the container situation and necessity for further standardization, by J. W. Davis, President, American Fruit and Vegetable Shippers Association. General discussion will be led by R. G. Phillips, Secretary, International Apple Shippers Association.

The morning of November 16 will be given over to organized marketing tours. In the afternoon there will be a consumers' forum, over which Mrs. Malcolm Parker McCoy, President, New York City Federation of Women's Clubs, will preside. The program includes addresses on the consumer's interest in efficient food distribution, by Dr. Frederick C. Howe, Consumers' Counsel, AAA; consumer consciousness of quality, by Dr. Frederick V. Waugh, Bureau of Agricultural Economics; and the question "quality versus price", by Robert Miller, Secretary, New York State Retail Grocers' Association. The general discussion at this session will be led by Mrs. Frances Foley Gannon, Deputy Commissioner, Department of Public Markets, City of New York.

The program for November 17 will include addresses on the question of whether live poultry distribution costs can be reduced, by LeRoy Peterson, Administrator, Live Poultry Code, Metropolitan New York Area; recent changes in the distribution of fruits and vegetables and how growers can meet them, by Dr. M. P. Rasmussen, Cornell University, and what the railroads are doing and what they can do to meet the new situation in food distribution, by James Harnach, Director, Traffic Bureau, New York State Department of Agri-

culture. The afternoon session on this date will include addresses on egg laws that the trade can support, by Charles A. Urner, Urner Barry Company, and distribution of quality dressed poultry, by Howard C. Pierce, The Great Atlantic & Pacific Tea Company. There will be a general summary of the entire convention from the viewpoint of the trade, by Gordon C. Corbaley; from the viewpoint of the State marketing officials, by H. M. Newell, Superintendent, Illinois Department of Agriculture, and from the viewpoint of the AAA, by J. W. Tapp, Special Crops Section, AAA.

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CALIFORNIA SAYS PRO-RATE LEGISLATION IS SUCCESSFUL

In a report of progress under the Agricultural Prorate Act, passed by the 1933 California legislature, Edson Abel, secretary of the Prorate Commission says that growers of lettuce in the Imperial Valley are \$500,000 better off than they would have been without marketing control. This benefit cost them approximately \$8,000.

Gravenstein apple producers of Sonoma and Napa Counties faced with a 40 percent crop because of pests and climatic adversities, nevertheless put control machinery into operation. Lettuce growers of San Luis Obispo and Santa Barbara Counties are moving about 100,000 crates per month, somewhat in excess of last year's marketings. Their average returns have improved from 25 cents to 50 cents per crate over those of 1933. The cost of the program has been less than \$1,000 per month.

Growers of Irish potatoes of Kern County instituted a prorate program that stabilized prices. Concord grape growers of Santa Barbara, Ventura, Los Angeles and Orange Counties were faced with a crop of twice the size of that of 1933. The crop was sold under a prorate program at slightly better than 1933 prices.

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AAA NEUTRAL ON NEW YORK POULTRY DISPUTE

The Agricultural Adjustment Administration announced this week that it would continue to take a neutral stand in the dispute between the members of the live poultry industry of New York City and the Kashruth Association concerning the Rabbinical supervision of Kosher slaughtered poultry.

In a report to Mayor LaGuardia of New York, the AAA expressed the opinion that "as a matter of administrative policy it would be distinctly unwise" to insert a provision in the code concerning Rabbinical supervision and further "that as a legal matter such provision would undoubtedly be held to be invalid."

It was pointed out that "the entire problem of Rabbinical supervision, which is the basis of the dispute between the Kashruth Association and the members of the live poultry industry, raises an issue which is entirely a religious one; that the problem does not have as its basis any economic relation to the declared policy of the National Industrial Recovery Act."

LIVESTOCK PRODUCTS WARNED
AGAINST ASSIGNING BENEFITS

Livestock producers selling cattle or other livestock to the AAA under the emergency cattle agreements and emergency livestock agreements, with respect to the purchase of sheep, have been informed that assignment of or contracts to transfer benefit or service payments received from such sales cannot be legally enforced. Such action is in violation of the terms of the agreements.

The Administration issued the warning after complaints had been received that in some instances farmers' creditors, although waiving all claims to benefit or service payments in return for being named as joint payees for the purchase payments, were asking producers to sign separate agreements or through other devices were attempting to require producers to assign or contract to pay over benefit or service payments.

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HIGHER PRICES FOR MEAT
ANIMALS NEXT YEAR

The marked decrease in livestock slaughter in prospect is likely to result in a substantial advance in prices of all meat animals next year, and the level of livestock prices in 1935 is expected to be the highest since 1930, C. A. Burneister, Bureau of Agricultural Economics, declared at the annual convention of the Institute of American Meat Packers at Chicago, October 15.

Since hog slaughter next summer will be very much smaller than average, he stated, hog prices will average much higher in that season than in the summer of 1934 and perhaps higher than at any time since the summer of 1930. He said that in view of the probable sharp curtailment in slaughter supplies of cattle and other meat animals during the first eight or ten months of 1935, the general level of cattle prices is expected to be considerably higher than in the corresponding period of 1934. Prices of the better grades are expected to advance more than prices of other kinds of cattle.

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NEW YORK CITY BROADCASTS
DAILY MARKET NEWS

New York City housewives are being told via radio each morning what supplies of farm products are in the wholesale markets, and the range of prices. The speaker is Mrs. Frances F. Gannon, Deputy Commissioner, New York City Department of Markets. "Bargains" are pointed up in the radiocast. One objective is to move surpluses so as to avoid waste. Demonstrations are being conducted throughout the city to show how the various foods can best be prepared.

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"MARKET DISTRIBUTION OF CAR-LOT SHIPMENTS of Fruits and Vegetables in the United States" is the title of Technical Bulletin 445, recently issued by the U. S. Department of Agriculture.

THE ILLINOIS VEGETABLE GROWERS ASSOCIATION will hold its fourth annual meeting at Rockford, Illinois, November 20 to 22. The organization, with its membership of more than 1,600 vegetable growers, is expected to take a vigorous stand against the distribution of potato seed in bags bearing the word "certified" as an imitation of the official seal of genuine certification.

FARMERS CASH INCOME from the sale of farm products, from AAA rental and benefit payments, and from the emergency sale of cattle to the government totaled \$662,000,000 in September compared with \$581,000,000 in August and with \$554,000,000 in September last year, according to the Bureau of Agricultural Economics.

NOVEMBER 10 has been set by the AAA as the closing date for signing applications and agreements for harvesting and sale of corn-fodder and corn-stover.

CONTRACTS for the optional purchase of between 500,000 and 1,000,000 bushels of seed quality corn, to be selected from corn sealed on farms under Commodity Credit Corporation loans, will call for payment for such corn at the rate of \$1.25 per bushel, on exercise of options, the AAA has announced.

TURKEY PRODUCERS in thirteen counties in North Dakota have received information on the preparation and handling of birds for market at a series of demonstrations held by North Dakota Agricultural College.

The AREAS from which Christmas trees may be shipped interstate from Connecticut, Maine, Vermont, and New Hampshire, have been modified in a revision of the gypsy moth and brown-tail moth quarantine regulations, recently issued by Secretary Wallace.

NEW JERSEY Milk Control Board, at a series of the hearings on October 24, assessed penalties ranging from \$25 to \$100 each against a number of milk dealers and storekeepers who have been selling milk or cream without having a license from the Board, and who had violated orders of the Board by selling at prices below those specified in the Board's regulations, failing to keep adequate records, and in one case submitting a bid below the Board's prices.

CURRENT PRODUCTION of manufactured dairy products is heavy, but the outlook is for relatively light production this winter, according to the Bureau of Agricultural Economics.

"THE DAIRY INDUSTRY IN THE UNITED STATES, 1932-1934, a Selected List of References", has been issued by the Bureau of Agricultural Economics.

A PRODUCE OPERATOR in Imperial County, was recently found guilty of a felony charge for issuing a check without sufficient funds. The complainant, an Imperial Valley farmer, had received a bad check in the amount of \$207 for tomatoes delivered to the defendant.

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STATE AND FEDERAL MARKETING ACTIVITIES AND OTHER ECONOMIC WORK

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A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

November 7, 1934

Vol. 14, No. 45

MARKETING OFFICIALS from more than twenty States, and representatives of all commercial agencies engaged in marketing and distributing farm products, will take part in the Sixteenth Annual Meeting of the National Association of Marketing Officials, to be held at the Hotel Roosevelt, New York City, November 15, 16, and 17. A frank exchange of ideas and plans at this meeting is expected to promote better cooperation among the various public and private agencies interested in marketing.

There will be no "MARKETING ACTIVITIES" next week, in favor of a Convention Number to be issued immediately following the New York meeting.

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FARM OUTLOOK FORECASTS CONTINUED IMPROVEMENT

Greatly reduced supplies of most agricultural products with some improvement in consumer buying power are expected to bring about a higher level of farm income during the first half of 1935 than in the corresponding period this year, despite continued small foreign demand for American farm products, according to the annual farm outlook report issued this week by the Bureau of Agricultural Economics.

The wheat situation in 1935 will depend largely upon yields, but the probability is that the United States will have a considerable export surplus of wheat in 1935-36, it is stated. Such a surplus, in the absence of any special measures to relieve its pressure on the market, would probably result, says the bureau, in prices on an export basis at some time during the year.

A further reduction in world carryover of American cotton is expected by August 1 next, even should world consumption be less this season than last. Further expansion of cotton production in foreign countries is expected, but the bureau says this expansion is likely to take place slowly since there are factors which tend to retard such developments in most of the foreign cotton producing areas.

A substantial advance in prices of all meat animals is expected. Possibility of a further reduction in hog production next year is seen in the report. The dairy outlook this feeding season is stated to be unfavorable on account of the shortage of hay and grain.

CONNECTICUT SELLING POTATOES AT AUCTION

Connecticut potatoes are being sold this year at auction, arrangements having been made for sales on Monday and Thursday each week this season at West Hartford. Growers may sell through the auction by becoming members of the Connecticut Farmers' Cooperative Auction Association, and all buyers with cash or satisfactory credit will be eligible to bid on lots of potatoes in varying quantities. The auction will serve a section of the State where more than two million bushels of potatoes were produced this year.

Each sale will be made through an officially inspected sample and sold on the basis of United States and Connecticut grades. All potatoes sold will be guaranteed by the grower to meet the grade requirements of the sample. In case of dispute, either buyer or seller may call for official Federal inspection at his own expense, the result of which will be final.

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NEW JERSEY EGG LAW VIOLATORS PROSECUTED

More than 8,000 stores and other retail egg outlets in New Jersey have been inspected, 200 violations acted upon, and a total of \$1,332 in penalties collected since the New Jersey Fresh Egg Law went into effect last July, New Jersey Department of Agriculture has announced.

Six hearings have been held by the Department for the consideration of violations of the law. Of the 200 cases considered at the hearings, 46 were disposed of by giving warnings to retailers, and 154 by the payment of penalties by violators in lieu of court action. Eight court suits have been instituted by the Department to settle cases that could not be disposed of in conferences with the violators.

The department says that since the law went into effect there has been marked improvement in the general quality of eggs offered to New Jersey consumers.

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CALIFORNIA SWEET POTATO SHIPMENTS BEING PRO-RATED

Proration of all commercial sweet potatoes in California is now in effect on a certificate basis, and sweet potatoes may not be shipped in California from the two main growing sections without certificates issued by the respective zone agents appointed under the California Agricultural Prorate Act. California Department of Agriculture has instructed its inspectors at various highway inspection stations to check all truck shipments of sweet potatoes to determine whether they bear the proper authorizations under the prorate law.

About 700 sweet potato growers, with an acreage of 6,500 in Central California and 1,648 in Southern California, are trying by means of the prorate program to obtain at least cost of production.

MINNESOTA CAUTIONS AGAINST
TURKEY SWINDLERS

Minnesota Extension Division is cautioning turkeymen in that state not to get caught by swindlers. In a recent letter, Dr. W. A. Billings of the division, said:

"Don't sell to some Jessie James dealer whose only capital is a promise. Investigate the financial standing of the person who offers you especially attractive prices."

Dr. Billings believes prices for fully finished No. 1 birds will be better this year than last.

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ILLINOIS SAYS LACK OF DEMAND
PREVENTS GREATER PRICE RISE

Only a lack of demand has prevented an even greater rise than has recently been made in prices of farm products, according to Dr. L. J. Norton, Illinois College of Agriculture. He says a number of factors in the current situation point toward further recovery in business activity and demand over a longer period of time, but that the immediate outlook is not for marked improvement.

Among favorable factors mentioned in the longer time outlook are the higher prices for certain basic staple products, huge and more or less idle bank reserves, and the long period of sub-normal activity which has created accumulated shortages of goods in many directions.

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NEW JERSEY MILK RACKETEER
REFUSED LICENSE BY BOARD

New Jersey Milk Control Board recently refused a license to a dealer on the charges of attempted bribery, price cutting, and the introduction of strong arm methods in the retail milk business.

William B. Duryee, chairman of the board, said: "It is very evident in this case that there has been an attempt to inject racketeering into the distribution of milk; this being the statement as presented and admitted."

The dealer admitted the charges of attempting to bribe an inspector of the Board, of cutting prices to gain business from a competitor, and assaulting a competing dealer.

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PENNSYLVANIA DEALERS FINED
FOR VIOLATING FOOD LAWS

Eighty-two Pennsylvania dealers in food products were ordered prosecuted during September by Pennsylvania Department of Agriculture. Violations included the sale or offering for sale of hamburg meat sour and unfit for food, sugar wafers artificially colored and misbranded, sweet pickles containing sodium benzoates, cherry cider misbranded and adulterated, butter high in moisture and low in butterfat, eggs sold as fresh but which were not fresh, and sour cream low in butterfat.

TENTATIVE UNITED STATES STANDARDS for lespedeza hay have been issued by the Bureau of Agricultural Economics.

MANUFACTURERS OF PEANUT OIL may receive payments, under the AAA, for diverting farmers' stock peanuts which they have purchased this year into the manufacture of oil instead of into other commercial channels, the AAA has announced.

"REFRIGERATED TRANSPORTATION of Bartlett Pears from the Pacific Northwest" is the title of a technical bulletin just released by the U. S. Department of Agriculture.

SAUERKRAUT from Chinese cabbage may become a new delicacy in the diet of many people if preliminary experiments are any indication of what can be done with this crop, says Illinois College of Agriculture.

"REOPENING FOREIGN MARKETS FOR FARM PRODUCTS" is the title of a printed pamphlet just issued by the U. S. Department of Agriculture. It is an extract from an address by Secretary Wallace at the American Institute of Cooperation at Madison, Wisconsin, July 11 last.

MIMEOGRAPHED REPORTS recently issued by the Bureau of Agricultural Economics include "An Experimental Analysis of Factors Affecting the Collectibility of Cotton-Production Loans", "Marketing Colorado Peaches and Pears, 1934 Season", "Preparation of Burley Tobacco for Market", "A Feed-Egg Ratio Expressed in Terms of Eggs", and "Statistics of the Peach Industry".

NEW JERSEY STATE POLICE have warned poultrymen that an alleged fraudulent solicitor is selling equipment for the tattooing of their flocks. He is offering equipment for \$4.50 and making an additional charge of \$3 for "registering" the flocks with the State Police. A State Police report says that at the end of the 1934 fiscal year, there was a 45 per cent reduction in the loss of poultry through theft, "largely as a result of the preventive tattooing done by 175 poultry keepers as a means of trapping chicken thieves".

THE EIGHTH ANNUAL NEW ENGLAND INSTITUTE OF COOPERATION will be held at Amherst, Massachusetts, June 19, 20, and 21, 1935. This institute will bring together representatives of the New England state colleges and universities, farmers, officials of farm marketing and buying organizations, county extension services, agricultural schools, and others interested in the cooperative marketing of farm products and in cooperative buying.

KNOWLES A. RYERSON recently resigned as Chief of the Bureau of Plant Industry. His successor is Frederick D. Richey who was assistant chief of bureau. Appointment of Dr. M. A. McCall and Dr. E. C. Auchter as assistant chiefs has been announced. Dr. McCall will continue, also, to direct the work of the Division of Cereal Crops and Diseases, and Dr. Auchter the work of the Division of Fruit and Vegetable Crops and Diseases. H. E. Allanson, formerly assistant chief of bureau, has been appointed as business manager.

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STATE AND FEDERAL MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

U. S. Dep.

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

November 21, 1934

Vol. 14, Nos. 46 & 47

MARKETING OFFICIALS EXPLORE FOOD DISTRIBUTION PROBLEMS

Representatives of Producer, Trade, and Consumer Groups Participate in Annual Convention of National Association of Marketing Officials.

Wide Range of Food Distribution and Marketing Problems Discussed. Closer Contact Between Producers and Consumers Advocated. Reduction of Price Margins Between Producers and Consumers Urged. Consumer Retail Grades Proposed.

Marketing officials representing eighteen States; representatives of the wholesale and retail trade in poultry, eggs, fruits, vegetables, and dairy products; representatives of consumer organizations, and representatives of the United States Department of Agriculture and the Agricultural Adjustment Administration took part in open discussion of the many problems in food distribution and their relation to marketing, at the sixteenth annual convention of the National Association of Marketing Officials, held in New York City, November 15, 16, and 17.

The States represented were Connecticut, Delaware, Florida, Illinois, Maine, Maryland, Massachusetts, Minnesota, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, Tennessee, Vermont, and Virginia. The convention was greeted by Mayor Fiorello H. LaGuardia of New York who manifested a personal interest in the marketing of foods and an intimate knowledge of the processes of food handling and distribution.

Consumer Needs Information

Mayor LaGuardia advocated closer relation between State and Municipal marketing officials so that consumers may be kept informed of available food supplies and crop conditions. He described a radio information service recently established by the New York Department of Public Markets, which broadcasts daily reports on market conditions, prices, and bargains. He predicted that commodity prices will continue to increase, but was of the opinion that "it isn't at all necessary that all of the increase in commodity prices be passed on to the consumer."**I think there is considerable waste in the transmission and distribution between producer and consumer, and that (reduc-

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tion of waste) is the big job that the marketing officials of this country have.***There is no use having marketing departments, state and municipal, unless we use them, and we can point to actual accomplishment. The real test will be, if in the course of the coming year through a better marketing system, through closer relation between producers and consumers, through a national system of the exchange of information we will be able to absorb part of the increased prices which the farmer must get from being passed on entirely to the consumer, by eliminating waste, particularly of the margin in-between."

President Davis of the Association assured Mayor LaGuardia of the whole-hearted cooperation of State marketing officials in making available to the municipal officials information on supplies and shipments to market.

A Year's Progress in Marketing

J. Clyde Marquis of the Federal Bureau of Agricultural Economics described in detail the developments of the past year in market news, standardization, inspection of farm products, transportation, and State and Federal laws dealing directly or indirectly with marketing. He listed among the Federal laws enacted by the Second Session of the Seventy-third Congress, amendments to the Perishable Agricultural Commodities Act, mushroom basket amendment, cotton marketing control, tobacco marketing control, amendments to the Agricultural Adjustment Act by adding certain basic commodities, the sugar amendment to the Agricultural Adjustment Act, authorization of the Federal Trade Commission to investigate the dairy industry, legislation for loans on crop production and harvesting, the Federal Farm Mortgage Corporation Act, amendment to the Food and Drugs Act as to sea foods, and tariff trade agreements legislation.

Mr. Marquis said that the Federal Communications Commission will submit to the next Congress a report of the results of hearings on the question of reserving for the use of Federal agencies a part of the time on radio stations. Marketing officials are vitally concerned with this report, he said, since the radio stations now give State and Federal agricultural agencies considerable free time for broadcasting market news and other agricultural information.

Increased public appreciation of standards for farm products, and a rapidly growing consumer interest in the development of retail grades were reported by Mr. Marquis. He said that motor truck hauling of farm products has increased in all states, and that there is need for better information on truck shipments and receipts, especially for the east and northeast. He reported an increasing demand by city editors for retail market news.

Fundamentals in Food Distribution

Gordon C. Corbaley, President, American Institute of Food Distribution, Inc., likened the flow of foods in distribution to a flow of traffic on the highways. He advocated the use of traffic controls

"to get surplus supplies off the highway, formulation of rules and traffic information which will warn offending drivers from again making the same mistakes; assistance to drivers in each business group to determine the practices which are causing them to interfere with each other or to block the progress of other streams; use of education and friendly control over the traffic to get each driver to see his selfish interest in making concessions which will improve the movement of the entire stream; use of police power only on the wilful violator - the man who will not accept education and conciliation."

The AAA, Past, Present, and Future

Dr. Mordecai Ezekiel, Economic Adviser to Secretary Wallace, declared that "operations under the Agricultural Adjustment Act have produced a material increase in the economic welfare of farmers and a marked stimulation in the ability of farmers to purchase industrial products. The flow of income to agricultural areas resulting from these operations has been a stabilizing influence on business since the inception of the Act, and was materially helpful during the summer of 1934, when, without this support of farm buying, the slackening industrial activity might otherwise have produced a far worse recession in retail sales and general business activity than actually occurred.

"Now that the greater part of the excessive surpluses has been eliminated," he continued, "the present problem of AAA is to work out the most effective means of seeing that the production of each major product is in reasonably close adjustment to the current ability of consumers here and abroad to buy that product.***By now the supply has been pretty well balanced down to demand. From this point on we must look to pushing demand up, so that farmers and city people alike can enjoy a continued rise in standard of living and farmers can continually adjust their production to a rising level of demand for their products."

Dr. Ezekiel declared that the high cost of marketing is one of the serious problems of agriculture, and cited "glaring cases of excessive capacity and duplication of facilities which do not profit individual selling agencies, and which add to the cost of marketing which farmers and consumers share. Some of our marketing agreements have made some improvement along the line of increasing marketing efficiency through improved stability, increasing the use of proper grades and standards, and correcting unfair and discriminatory practices. To some extent, however, the progress which might be made in this field is retarded by the fact that really increased marketing efficiency would mean much fewer people needed to do the job, and large numbers of men displaced to seek employment elsewhere.***If and when the time comes, however, when the present unemployed have been reabsorbed and the increased level of production has made labor scarce rather than superfluous, it will then be much easier to attack this problem of increasing the marketing efficiency, and to develop real economies of distribution which will insure adequate food supplies to consumers at reasonable costs, while still maintaining a satisfactory return to farmers."

High Rail Rates a Burden

George Lafbury, President, National League Commission Merchants, presided over the afternoon session on November 15. He said, in part:

"In my judgment extremely high railroad rates represent the heaviest burden laying upon the producer of fruits and vegetables. Succeeding horizontal rate increases since 1914 have destroyed fundamental rate and classification relationships and no attempt has been made by executive rail management to restore fruits and vegetables to their rightful relationship to other commodities. It looked for a time as though the rapid evolution of motor transportation was the solution, but experience has convinced us that truck transportation, with all of its involvements of chaotic markets, itinerant peddlers and unregulated competition, has liquidated its advantages with its disadvantages.*** High freight rates are removing producing communities farther and farther away from their markets of outlet; in other words, taking away from these producing communities their natural advantages of cheap production."

Fruit and Vegetable Code

Edgar W. J. Hearty, New York City Executive Director, Code Authority, declared that the fresh fruit and vegetable distributive code is free of "any of the provisions that have and are now breeding discontent in other industries.***Our code, so far as unfair trade practices are concerned, calls for but simple honesty, common decency and fairness.***The code is in its infancy. But to men of your vision and understanding, it is not necessary to point out that a code that makes it a violation of the law to practice destructive price-cutting for the purpose of benefitting through consequent lower prices at primary points, or for the purpose of creating a monopoly; a code that forces consent of the grower in transactions where the agent of the grower enters into a transaction with a third party and retains an interest in the goods; a code which forbids secret rebates, secret discounts, unearned brokerages, defamation of competitors, breach of contract, commercial bribery, coercion, fictitious prices, or false representation - must directly aid in distribution."

Use of Second-Hand Containers

J. W. Davis, President, American Fruit & Vegetable Shippers Association, reported that that association at its convention in January last unanimously adopted a resolution to discourage the use of second-hand containers for the handling of fresh fruits and vegetables, on the ground that such containers are a price-depressing factor on the markets. He said that "it generally happens that the buyer classifies the commodity in the package on the same grade as the appearance of the second-hand container, as 'inferior grade' and the price secured is below the market range and the seller suffers." Mr. Davis reported his association has sent to the State Department of Agriculture of every State a tentative bill, for sponsorship before their next State legislatures, regulating the use of second-hand packages, and urged the marketing officials to go "squarely and definitely on record favoring the regulation of the use of second-hand packages."

Apple Export Situation

R. G. Phillips, Secretary, International Apple Shippers Association, declared that "during the last few years, difficulties have multiplied by leaps and bounds (in the apple export situation) until today the apple industry is confronted with the greatest trade barriers in all the history of its foreign trade, running back over half a century - total and partial embargoes, quotas, tariffs, import permits, exchange restrictions and disruptions, and other drastic restrictions." He expressed the opinion that "the United States, based on its present productive capacity, should export, during heavy crop years, from 19,000,000 to 24,000,000 bushels of apples per year, plus over 2,500,000 bushels of pears", that "this surplus cannot be absorbed by the domestic markets", and that "if a material portion or all of it is thrown back on the domestic market, it means disruption to the industry and most of its affiliated agencies." He cited figures revealing a sharp decrease in exports in recent years, but said: "I am happy to say, however, that very definite steps have been taken by our government under the Reciprocity Trade Agreement Act to open the channels of trade and relieve the situation not only in the United States but in all other countries with which agreements can be negotiated.***Reciprocal Trade Agreements are now in process of negotiation with many countries and it is expected that others will follow in due course.***The President and Secretary of State Hull are deserving of the highest commendation for their devotion to the principles of restoring foreign trade."

New Packages High-Priced

Commenting on the use of second-hand packages, W. W. Oley of New Jersey Bureau of Markets said:

"I think we are sympathetic with the remarks of Mr. Davis relative to the use of second-hand packages, but until there is some relief from high prices which have been admitted by some dealers to be excessive for new packages our farmers have had to turn to the second-hand package because of necessity, not from choice. I think we should use every effort to have the lumber and timber products code so modified that shippers of low-priced commodities would be more inclined to use a new package."

Carl I. Dingfelder, President, Fruit and Produce Trade Association, New York City, declared "it is false economy for the grower to use second-hand containers. They distract the buyer from the merchandise and very often it means on a bushel of apples a loss of from 13 to 25 cents a bushel."

Mr. Phillips of the International Apple Shippers Association cited his personal experience in the use of second-hand packages, and declared that he had effected a considerable saving by using such packages in good condition.

Consumers' Forum

A consumers' forum, presided over by Mrs. Malcolm Parker MacCoy, President, New York City Federation of Women's Clubs, was held on the afternoon of November 16. Mrs. MacCoy said in part:

"There is nothing of more importance to the largest single organized body of consumers in the country than information as to where our food comes from, what the price is to be, and what the quality is to be."

Dr. Frederick C. Howe, Consumers' Counsel, AAA, addressed this session. He declared against monopoly control of farm products, and said that the farmer should be brought "just as close as possible to the ultimate buyer, so that he deals with him face to face, and not through a lot of intermediaries," so as to effect savings in distribution costs, for the benefit of farmers and consumers. Discussing milk price spreads between farmers and consumers, he said: "I think there is a great undeveloped milk market at a proper price for thirty million people. I don't think we have begun to touch the potentialities for developing distribution."

Dr. Howe said that in Chicago, milk is being sold at 1,400 retail stands all over the city, at $6\frac{1}{2}$ cents a quart.

Is the Consumer Quality Conscious?

Dr. Frederick V. Waugh, Bureau of Agricultural Economics, expressed the opinion that consumers are quality conscious but that each person has a different idea of quality. "Some of us say," he said, "consumers are not quality conscious because they do not prefer the things we think they ought to prefer. Certain consumers prefer a strong taste in butter. There is no use arguing about tastes. Some prefer a dark colored maple syrup. Consumers have preferences. The difficulty is that while the consumer has quality preference, he has some difficulty in describing it. He does not know the terms of the trade. We have a complicated terminology. Often in our research we do not get anywhere because consumers cannot describe their preferences. There was a survey here in New York City a few years ago on apples. It showed there were less than ten percent of consumers who could identify a single variety of apples. Few knew about trade names, brands, and labels; and they did not know western apples from eastern apples. Under such circumstances, how can consumers buy apples? We found in this survey that their only way was to ask for either red apples or green apples, or cooking apples or eating apples. I do not think that means consumers are not quality conscious on apples, but they do not know what to ask for. Most consumers can buy beef that is government graded; very few know about it or what the grades mean.

"Clerks in retail stores know as little about quality as we do, as consumers. In a study of butter in Boston the investigators tried to find out from storekeepers about the quality of butter. They found a very small percentage of retail clerks who knew anything about the score of butter. Some tried to say they had 120 score. A majority of clerks had never heard of the score of butter.

"It is hard to find out about the quality of the things we buy. It seems to me we need some sort of remedy.***The first kind of remedy is some education of consumers. I think consumers are now getting to the point where they are interested enough to want to be educated.

We need to educate particularly the retailer, and also more or less the whole trade as to what the consumer wants and how to get him what he wants. We need a better understanding of consumer preferences. We need more studies on what we call use value, studies of questions like what sizes of oranges you can get the most juice from, what kind of potatoes will bake best, what kinds of wheat are the best for flour, etc.

"I think we need some kind of a national program of retail grades. Our experience with grades has been mostly with wholesale grades. There is a strong demand for a fair system of retail grades. We must develop some system so that consumers will not be confused. It should be a national system. There is no use of forty-eight different States trying to go ahead on consumer grades and putting out different kinds of grades with different specifications. We should have grade specifications which are the same from year to year, and not be shifted because of the quality of the crop.

"We should use the same terminology from one commodity to another. We have all sorts of grade terms in different commodities. Consumers cannot possibly remember all the terms we have. There are many terms for low quality foods which seem to imply high quality. Choice apples do not mean the better quality apples. They give consumers the wrong impression. We have to adopt some simple terminology like grades 1, 2, 3 or A, B, C, and have the same grades on all commodities. I believe it can be done."

General discussion at this session was led by Mrs. Frances Foley Gannon, Deputy Commissioner, New York Department of Public Markets.

Mrs. Gannon: How would you bring about this simple grading, - 1, 2, 3 or A, B, C?

Dr. Waugh: I suppose the way to go at it is by getting organized here and there and getting together on this thing. No one has worked out a definite program. The only thing I see to do is to keep plugging along and see whether something can be worked out.

Mrs. Gannon: That seems to be such a slow process.

Mr. W. A. Sherman (Bureau of Agricultural Economics): It just occurred to me that when you sit down at a game of bridge you have only fifty-two cards to learn, only four suits, only one suit is trump at a time, and in far less time than any woman can learn to be a good bridge player she can learn to distinguish all of the important qualities of each of the fruits and vegetables she buys. It is not a dark and magic art. All the factors of grade are those which you can see.***Whenever

housewives are sufficiently in earnest about buying food intelligently instead of simply saying: "I always buy the best", - in thirty days' time the problem will be solved for the household for which that particular woman buys.

Poultry Marketing Costs

Leroy Peterson, Code Supervisor of the Live Poultry Industry of New York, addressed the convention on the subject of live poultry distribution costs, and expressed the opinion that the decline in consumption of fresh killed poultry in New York in recent years "is due to the excessive cost of distribution of live poultry as compared with dressed poultry."

Under the present method of distribution, he said, a farmer in Indiana gets 13 cents a pound for a three-pound chicken, from a huckster who assembles quantities of chickens. The huckster turns the poultry over to the shipper, receiving approximately 1 cent per pound for his part of the transaction. A further cent per pound is added to the cost of the chicken by the additional expense of loading into the car. Based on 17,000 to 18,000 pounds per car, it costs from 4 to 4½ cents a pound to bring the poultry by freight from Indiana to New York City, where the chicken is sold by a commission merchant to a wholesale slaughter house for 19 cents a pound. At the slaughter house it is sold to a butcher shop or chicken dealer at a mark-up of approximately 4 cents a pound. Assuming that this is a high grade Indiana fowl, the bird is sold by the retail chicken dealer or butcher to the ultimate consumer for from 27 to 30 cents a pound. In other words, a chicken which returns the farmer 13 cents a pound costs the consumer in New York City 27 to 30 cents a pound.

Mr. Peterson said that studies by the Department of Agriculture show the farmer can scarcely break even if he sells his chicken for less than 12 cents a pound, and that he must sell for at least 13 cents to make a profit. If the present method of collection is to continue, he said, the huckster must receive something for his work, so it would seem that no saving can be made for the consumer by cutting costs of the first two steps.

The cost of approximately 4 cents per pound for shipping the chicken from Indiana to New York, he continued, includes freight charges, the handling charges to the terminals in New York, and commissions paid to commission merchants in New York. These three items of expense are charged to the shipper.

Mr. Peterson described the various marketing processes and costs in detail, and concluded with the statement that "in our extensive studies, we have found no point where any large saving may be made in the distribution cost of live poultry, from the farmer to the consumer, under the present scheme of distribution.***We will endeavor, however, to effect any savings, no matter how small, to the end that the consumer may pay as low a price as possible, commensurate with a fair return all along the line to those involved in the work."

Changes in Distribution

M. P. Rasmussen of Cornell University addressed the convention on trucking problems, large-scale buying organizations, country block auctions, regional markets, marketing agreements under the AAA and cooperative associations. In summary, he said:

"Fruit and vegetable marketing conditions will probably be improved by the following procedure:

"First: The development of joint union facilities for marketing fruits and vegetables received by motor truck in large terminal markets, possibly in close cooperation with rail and boat carriers.

"Second: The development of cooperative groups of growers to meet the demands of large-scale buying organizations, and the encouragement of more and competitive buying agencies on the part of the private chain and voluntary chain buying organizations.

"Third: Critical analysis and development of more country auction markets; more city regional markets, and more rural regional markets, where unbiased facts seem to indicate a sound need therefor.

"Fourth: Greater developments of cooperative associations for the purpose of assembling, preparing and trucking produce to market; and also for the purpose of obtaining equal bargaining power with large-scale buying organizations.

"Fifth: Critical analysis of marketing agreements now operating and unbiased trial of such new agreements as may seem to fit conditions peculiar to an area or region."

What Can Railroads Do?

James W. Harnach, Director, Traffic Bureau, New York Department of Agriculture and Markets, in an address on what the railroads are doing and can do to meet the new situation in food distribution, declared that "I can neither understand nor have much sympathy with a rate-making policy which invariably seeks by general increases in all freight rates to make up the loss of revenue which is due to a diminished volume of traffic. Rates are maintained on a high level or increased on the theory that a return on the existing investment must be paid at the existing level of output. No account is taken of the obvious fact that commercial limitations upon rate making are not amenable to the Fourteenth Amendment, and simply cannot be haled into court to be compelled to pay a fair return upon cost of reproduction as a dominant factor when prices are high, or some other rate base when prices have fallen. And we have had almost enough experiences to convince us that increased freight rates simply do not automatically spell increased railroad revenues and profits, and certainly they do not, in these days of highway and waterway competition.

"Railroads serving the producing areas in New York State," he said, "have tenaciously clung to high class rates on fruits and vegetables despite the obvious fact that carriers in other sections of the country

had long established commodity rates, and despite the additional fact that these high class rates unduly encouraged motor-truck competition, and despite the fact that they had established commodity rates lower than class rates to move the products of manufacturing industries. Without any regard for the drastic decline in prices they maintained a level of milk and cream rates from the country to New York City 50 percent higher than they were in the Spring of 1918 until they lost a large portion of the business. Then they did make a reduction after truck transportation had thus been established and had achieved a considerable growth. Now they are asking the Interstate Commerce Commission to allow them to place their rates on fruits, vegetables and hay on a level higher in most instances than the peak of 1920.***While no one seriously argues that rate reductions will increase purchasing power and total volume of business, it must be apparent that some rate reductions would hold traffic to the rails and also permit movement of traffic which only on lessened transportation costs can meet the lower market price level."

Practical Fresh Egg Legislation

Charles A. Urner, Urner Barry Company, addressed the convention on egg laws that the trade can support. He said in part:

"I consider it essential, before more compulsory egg grading laws are written or rigidly enforced, that some well thought out plan of securing conclusive data through investigation by undertaken. Dr. J. C. Huttar has suggested, and I believe the suggestion an excellent one, that a committee be formed representing producers and packers of the east, central west and the Pacific Coast, the dealers in the larger markets and the State and Federal officials interested in securing the facts, to determine the quality and candling appearance of eggs being marketed the year around, the relation of methods of transporting and handling to candling appearance at wholesale and retail each season, and the significance and accuracy of the usually accepted variables before the candle in determining the proper classification of eggs.

"I believe all agree," he continued, "that egg standards should conform fairly closely with appearance when broken, physical changes when cooked, and odor and taste. What we need to know more about is the relation of size of air cell, movement of air cell and yolk shadow to the known broken out tests of egg quality. All present data should be assembled and used as a starting point for further investigation. This should help us to decide how best the candle can tell us when an egg ceases physically to be fresh.

"Pending more complete knowledge I maintain that any grading plan which throws out of the grade of fresh any new laid eggs of fine eating quality and free from visible blemish when broken open is unreasonable. And I believe that pending greater knowledge, no egg grading law should be so technical that a large part of the supply of current production of eggs at any season, handled promptly in better than average fashion through usual trade channels, should be denied sale as fresh."

Mr. Urner cited six principal factors in candling appearance which are now used to separate fresh from non-fresh eggs. They are: size of air

cell; fixity and shape of air cell; visibility of yolk; size and position of yolk; action of yolk when egg is twirled to indicate condition of yolk and white; and presence of dark small areas indicating foreign matter, yolk defects or germ development. In none of these six factors, he said, can a sharp dividing line be drawn on the basis of present knowledge which will positively separate fresh and non-fresh eggs as determined by breaking, cooking or eating.

Distribution of Quality Dressed Poultry

Howard C. Pierce, Great Atlantic & Pacific Tea Company, in an address, declared that the chief requirements to make consumers buy more poultry are "high quality poultry of various kinds, reasonable prices, attractive displays or advertising, and courteous service.***Quality begins on the farm. Plumpness is the result of good breeding and proper growing rations. Fatness, flavor and tenderness are the results of rations and methods of feeding used during the last few days before dressing.***Milk feeding does not always mean high quality. In fact it is doubtful if over fifty percent of the chickens and seventy percent of the fowl that is milk-fed can be termed extra fancy.***The Bureau of Agricultural Economics has proposed standards that are being more or less successfully applied in a few western plants. The use of government grades in the marketing of farmer-dressed, northwestern turkeys, however, has been of outstanding value to producers. Since the application of these grades and the spreading of information among the growers and handlers of producing and preparing turkeys to meet the requirements of the grades, the quality of Northwestern turkeys has not only improved greatly but their market value has been enhanced.

"The opening of meat departments in chain food stores during the last few years, and the featuring of dressed poultry therein at reasonable prices," the speaker said, "has not only increased the total quantities sold, but also increased the varieties of poultry appearing upon the tables of the consumer."

Committee to Study Egg Laws

Following a discussion of the effect of eastern egg laws on western producers, a motion was made, seconded, and unanimously adopted that the executive committee of the Association appoint a committee to make a study of existing egg laws with the idea of coming to a conclusion as to what constitutes a proper egg law. This committee is to confer with various trade organizations in connection with its study, and make a report to the Atlantic States Division of the Association, which meets in Washington next April.

The convention was concluded with a summation of the various addresses and discussions from the viewpoint of the trade, of state marketing officials, and of the AAA.

Gordon C. Corbaley said: "We are in process of standardizing ourselves. I do not know how far we are going to go***but we are going too fast.***Let us have a little more common sense and a little less disposition to reform the other fellow.***The worse thing that is wrong

with your deliberations is a lack of collective viewpoint. Listening to the deliberations here I am impressed with the fact that you are engaged in planning better business methods, and if there is one thing that you need is to have somebody do a little planning for you."

More Service: Less Regulation

H. M. Newell, Illinois Division of Standardization and Markets said: "A State marketing official is between two fires. On the one hand we have the big army of producers to consider, and on the other, the welfare of the general public. Our functions are primarily regulatory, tempered, we hope, with good common sense and mixed in with a lot of service work. Sometimes I think the more service and the less regulatory work we do the further we shall get along. These functions give us tact, viewpoints, broaden our perspective and enable us to do a more sensible job back home. On Thursday, the outstanding talk was the one Mr. Corbaley gave us. He gave us a few suggestions we can use for a long time to come as a yard stick in measuring our own ideas and the suggestions of others as to how to proceed, how to develop our marketing work, and how to control our legislation. Regarding Dr. Ezekiel's talk, he put into a few words what the AAA program is trying to do. I think this year we have passed an important milestone in the path of progress. Mr. Rasmussen's paper got down really to the heart of many of our perplexing problems in marketing, and without in any way belittling the other papers presented, I should like to thank Mr. Rasmussen for clarifying many of the most perplexing problems we have to face. In general I think this meeting of marketing officials has been the most beneficial this organization has had.

J. W. Tapp, Chief, Special Crops Section, AAA, said: "I think we should depend upon the development of programs which have their support in the efforts of the local people. That places a burden upon the State people as well as upon us because except as we get a better understanding on the part of producers, associations of producers, extension services, marketing officials, and others, producers will not have an opportunity to take advantage of the AAA insofar as it relates to marketing agreements. Many of these programs relating to fruits and vegetables include such matters as grading, standardization, limitation of shipments and other activities which come to some extent within the range of activities of the marketing officials. In all such programs we feel it desirable that our efforts supplement those being conducted in the States rather than in any way supplanting those activities."

George A. Stuart, Pennsylvania Bureau of Markets, was elected as President of the Association, for 1935. H. M. Newell, Illinois Division of Standardization and Markets, was elected Vice-President, and Sidney A. Edwards, Connecticut Deputy Commissioner and Director of Markets, was elected Secretary-Treasury. The 1935 convention of the Association will be held at Chicago, at a date to be selected by the Executive Committee.

Copies of the complete proceedings may be obtained from Sidney A. Edwards, Department of Agriculture, Hartford, Conn.

MARKETING ACTIVITIES

AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

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U. S. Department of Agriculture

LOUISIANA REQUIRES GRADE
MARKETING ON PACKAGES

Louisiana authorities have informed California Department of Agriculture that all citrus fruits moved to Louisiana, whether by truck, train or boat, must be packaged and marked by stamping with grade designations. It is also required that certificates of grade, issued by the Federal-State shipping point inspection service, must accompany each manifest. The same regulations went into effect on vegetables, November 12.

California Department of Agriculture reports it has not been a common practice in California to mark containers with grade, in the case of either citrus fruits or vegetables. The new regulations, it is stated, will also prevent the diversion to Louisiana markets of shipments originally intended for points outside of that State, unless such shipments have been marked with a grade and certified at point of origin in order to comply with Louisiana requirements.

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NEW YORK FINDS DECREASED
CONSUMPTION OF MILK

A marked decline in milk consumption the past three years was reported by Prof. M. C. Bond, New York College of Agriculture, addressing the agricultural conference for northeastern states held in New York City recently.

Professor Bond pointed out that the dairy industry in fluid milk areas has for many years aimed to provide all the milk required at all times. To meet this demand, major seasonal reajustments in production have occurred, and new production areas have been developed around fluid milk markets. He said the industry must expect to carry enough surplus to meet the demands of consumers that will come with general business recovery. The speaker stated the present surplus in most of the northeastern markets is larger than usual, due mainly to a drastic decline in consumption.

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IOWA FARMERS URGED
TO SAVE FALL PIGS

It will pay to save the fall pigs, says Iowa Extension Service. Existing feed shortages and the likelihood of substantial rises in hog prices next spring make it more profitable than ever for Iowa hog producers

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to do everything possible to keep the whole litter and get the most economical gains, it is stated. Hog slaughter during the 1934-35 hog year will likely be 25 to 30 percent less than normal, resulting in a more than average seasonal rise in hog prices in late winter and spring, says the Service.

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VIRGINIA MARKETS DIVISION PROFITABLE TO GROWERS

J. H. Meek, Director, Virginia Division of Markets, says it is impossible to determine the exact value of the services of that division to the public, but that information available from those who have received benefits from these services indicates the benefits are worth from \$1,500,000 to \$2,000,000 a year. These services are divided into the inspection service on numerous agricultural products, inspection of weights and measures, market news, listings in the bulletin, service to organizations, enforcement of various laws, and general information. Mr. Meek says the actual cost of these services to the State of Virginia is from 2½ percent to 3½ percent of their estimated value to the public.

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FARMERS MAY BORROW MONEY TO REPAIR PROPERTIES

The Farm Credit Administration has announced that more than 600 production credit associations in the United States are ready to make loans to farmers to repair, alter, or to improve farm dwellings. Such loans are eligible for guaranty by the Federal Housing Administration up to 20 percent of their principle.

Loans will be made to farmers who own or may own Class B stock acquired in connection with a loan for a general agricultural purpose from the association. At the annual meetings of the associations in January, stockholders will determine whether loans will be made to farmers who are not also borrowers from the association for general agricultural purposes.

Home improvement loans on a single dwelling may range from \$100 to \$2,000. The loans will ordinarily run for one year, but they may be extended to eighteen months. A 6 percent interest rate will be charged for the time the money is had by the borrower, it is stated.

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MANY NON-FARM FAMILIES IN OHIO GROWING FOODS

More than 100,000 rural non-farm families in Ohio obtain some of their living from the land, says F. L. Morrison, Ohio Experiment Station. A study was recently made of 202 such families in the vicinity of Columbus. The retail value of the foodstuffs raised and consumed averaged \$149 per household, while food purchased cost \$240 additional. Sales of produce, largely poultry products and vegetables, averaged \$76 per homestead; on more than half the rural homesteads receipts from sale of farm products totaled less than \$25.

NEW MEXICO STUDIESEGG QUALITY FACTORS

New Mexico Experiment Station recently completed a study to ascertain the factors that effect the market qualities of New Mexico eggs. In a bulletin on the subject, it is stated that a total of 1,759 cases of eggs were shipped and used in the survey, the eggs having been obtained from cooperators in the eastern dry-land area of the State, where eggs production is a side-line enterprise.

Eggs produced by hens which could obtain cottonseed or cottonseed products by ranging through the cattle lot or over the farm, averaged approximately 5 per cent lower in quality than those from hens which received no cottonseed products, it is stated. Rough handling of eggs during transportation to market resulted in considerable deterioration in quality. Age and temperature were found to have a definite effect in lowering the quality of high-grade eggs. The "index of quality" of eggs which were fertile averaged 5.4 per cent lower and decreased more rapidly with temperature increases than the "index of quality" of infertile eggs. Eggs packed with the small end down had an "index of quality" 3.5 per cent higher than those shipped with the small end up. The loss in quality of No. 1 grade eggs shipped by truck was 20 per cent; by refrigerator freight, 14.2 per cent; and by express, 11.1 per cent.

Copies of the bulletin may be obtained from New Mexico Agricultural Experiment Station, State College, N.M.

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NEW YORK SAYS QUALITYSHOULD RULE IN EGG GRADES

The interest of the whole poultry industry should be considered when uniform grades of eggs for the northeast are discussed, Prof. H. E. Botsford, New York College of Agriculture, told the recent agricultural conference for northeastern states held in New York City.

Grades and grade names must be uniform, he added. Grade divisions should be based on the uses to which the egg is put, the appearance of the egg, when broken, its flavor, and the taste of the consumers. Standards, he pointed out, should be high in the better qualities.

There should be a definite dividing point, he said, between good eggs, medium quality eggs, and the lowest quality eggs that may still be eaten. Some way to train graders of eggs, some means to interpret the grades uniformly, and strict regulations are also necessary, he said.

The speaker stated that, until a better way is found to determine quality, grades must be based on conditions which indicate changes in appearance and flavor; the highest to the majority of newly laid eggs, and the lowest, just before the eggs become inedible. Size, shape, shell strength, and condition effect appearance, and consumer appeal must be considered, he said.

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FARM LAND is attracting higher prices in practically every section of the country, says the Farm Credit Administration.

"QUALITY OF COTTON Produced in New Mexico, 1928-32", is the title of Bulletin 225 recently issued by New Mexico Experiment Station.

TURKEY MARKETING INFORMATION and training in grading birds in accordance with the Federal grading system were received by approximately 275 North Dakota producers, dealers and packers at two grading schools held recently in Jamestown and Minot, North Dakota.

NEW JERSEY Department of Agriculture reports that "in its marketing work during the past year, the department assisted growers and shippers to improve marketing methods, to develop better quality and pack in the products shipped to market, and to obtain new outlets and wider distribution. In addition to making grade inspections, it cooperated with 15 produce and poultry products auctions and with six city farmers' markets."

RECENT MIMEOGRAPHS issued by the Bureau of Agricultural Economics include "Car-lot Shipments of Fruits and Vegetables, 1933"; "Summary Report, Quality of the 1934 Crops of Wheat, Barley, Oats, and Rye"; "References on Agricultural History as a Field of Research and Study"; "A List of American Economic Histories"; and "Market Classes and Grades of Stocker and Feeder Steers, Illustrated".

Agricultural Adjustment Administration News

A REDEFINITION of the term "first domestic processing" of hogs, which will transfer to commercial handlers all liability for payment of the processing tax with respect to hog products derived from hogs slaughtered by producers and feeders and for which producers and feeders were liable theretofore, went into effect recently. Farmers are liable for the processing tax only with respect to hog products sold direct to consumers in excess of the exemptions allowed under the tax regulations.

THE SOUTH'S COTTON PRODUCERS will be given opportunity to vote sometime in December on whether the Bankhead Cotton Control Act will be continued into the 1935 season. Cotton farmers will be asked: "Are you in favor of continuing the Bankhead Act for next year (June 1, 1935 to May 31, 1936)?" There will be a referendum also, in December, on the question of continuance of the Kerr-Smith Tobacco Act in 1935.

THE TERMINAL GRAIN ELEVATOR INDUSTRY has been placed under a code of fair competition by designation as a sub-division under the code for the grain exchanges. This action was determined upon as being more feasible than having a separate code for the industry, since practically all terminal elevator industry members are also members of grain exchanges and are thus automatically governed by the terms of the grain exchange code. The principal effect of the order will be to broaden the labor provisions of the grain exchange code to cover terminal elevator labor.

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STATE AND FEDERAL MARKETING ACTIVITIES

U. S. Department of Agriculture

AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

December 5, 1934

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CALIFORNIA TO HOLD MARKETING FORUM

The final session of the 67th convention of fruit growers and farmers to be held at Riverside, California, December 18, 19 and 20, will deal with marketing. Subjects for discussion include "Marketing Competition in Vegetables" by C. B. Moore, Western Growers Protective Association; "The Avocado Marketing Program", by Carl V. Newman, Los Angeles; "Marketing Progress in Walnuts", by Carlyle Thorpe, California Walnut Growers Association; "The Citrus Marketing Situation", By Paul S. Armstrong, California Fruit Growers Exchange; "Present Day Marketing of Deciduous Fruits", by Fred W. Read, California Fruit Exchange; "The Fruit Deal in California", by H.H. Warner, American Fruit Growers, Inc.; "Future Needs of Agriculture", by George Sehlmeier, California State Grange; "Livestock Marketing Prospects", by Phillip A. Klipstein, California Cattlemen's Association; "What is Facing the Hay, Grain and Feed Markets?" by Gail McDowell, Western Producers; "Wool Growers' Problem in Marketing Field", by W. P. Wing, California Wool Growers Association, and "The Dairy Products Market Situation", by C. W. Hibbert, Challenge Cream and Butter Association.

The program for the three day conclave includes many national and state authorities on varied agricultural problems and activities, embracing nearly every main agricultural activity in California. The program has been arranged by California Department of Agriculture under whose auspices the convention is held each year.

STUDIES LABOR COSTS ON NEW YPRK FARMS

Labor costs on 78 New York farms in 30 counties, averaged 28 cents an hour in 1933, according to cost account records, New York College of Agriculture has announced. This labor cost is 14 cents an hour less than the 1927-30 average, and the lowest cost for an hour of farm labor since 1915. Operators of these farms estimated the value of their time at \$75 a month, or about \$5 less than in 1932. The estimates varied from \$40 to \$150 a month, depending on the size and intensity of the farm business. The value of farm benefits averaged \$36 a month to the farm operator.

The summary of labor costs notes that the average monthly cash wage of a hired man who boarded himself was \$51, or \$11 less than in 1932. For the hired man with farm benefits, the average monthly cash was \$46. The benefits were valued at \$15 a month. For the man who boarded with the farmer's family, the average cash wage was \$29 a month, and board was valued at \$19 a month.

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IOWA SAYS DAIRY PRICE
SITUATION UNFAVORABLE

Hay and grain shortages make the prospects for dairying look unfavorable for the current season, say Iowa State College extension economists. Hay and grain prices are now higher in comparison with the price of butterfat than in any previous fall since the drought of 1911.

Furthermore, the economists expect that the price of feed will continue unusually high in comparison with the prices of dairy products throughout the winter. After new grass and new grain are available next summer, however, dairymen ought to benefit for a year or so from a return to a more favorable relation of the price of grain to the price of dairy products, they say.

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ILLINOIS FRUIT GROWERS
TO DISCUSS CODES

Compliance with Federal regulations and codes as they affect fruit growers of Illinois is to be the keynote of a number of discussions, when members of the Illinois State Horticultural Society hold their 77th annual winter meeting at Urbana, December 12, 13, and 14. Progress of the Federal apple marketing code authority and its possible future influence on Illinois growers will be reviewed by F. A. Simpson, a member of the code authority. H. M. Newell, Illinois Division of Standardization and Markets, and recently elected Vice-President of the National Association of Marketing Officials, will address the gathering on marketing subjects.

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CONSUMERS BENEFIT FROM
U.S. TOMATO GRADING

Grading of canhouse tomatoes enables consumers to buy better quality canned tomatoes and tomato products, R.R. Pailthorp, Bureau of Agricultural Economics, told members of New Jersey Horticultural Society in sixteenth annual meeting, at Atlantic City, December 5. The system provides an incentive at all times for both the poor and good growers to improve the quality of their tomatoes, he said. The canner benefits under the system because it has been proved conclusively that growers deliver more red ripe tomatoes, he declared.

Discussing prices, Mr. Pailthorp said that growers in New Jersey have probably fared better than growers in most other sections of the country. In 1933 the Bureau of Agricultural Economics estimated the average price received by growers in New Jersey for contract tomatoes to be \$13.80 per ton. The contract price in Delaware was estimated at \$12.40, in Maryland \$11, in New York State \$10.40, and in Illinois \$10.80. Pailthorp estimated that 30,000 acres were planted to tomatoes for manufacture in New Jersey the past season.

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"COTTON PRODUCTION IN EGYPT" is the title of Technical Bulletin 451, recently issued by the United States Department of Agriculture.

WIDESPREAD CONSUMER INTEREST IN CANNED GOODS LABELING

Increasing consumer interest in "truthful, useful, and informative labels" on canned goods is noted by New Jersey Department of Agriculture Division of Consumer Information. In the division's current syndicated sheet of feature food stories, Fred W. Jackson, director, reports that several New Jersey groups of women have scheduled canned goods inspection sessions for their organizations. On these occasions each woman is asked to bring a can of her favorite brand of whatever vegetable is to be tested. She removes the label and does not disclose the price. Then all the cans are opened for examination, tasted and tested by everyone present, and each can given a rank. The ranking is on the basis of what each woman demands in quality. Then the brand name is disclosed and the price is made known. In this way members of the group are able to see how their own favorites rank and compare with those of their neighbors. The group frequently award highest rank in quality to a brand which may not be the highest in cost, indicating that price is never an exact measure of quality.

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CHRISTMAS TREES, PLANTATION- GROWN, FIND READY SALE

The demand for plantation-grown Christmas trees will increase rather than decrease in the future, according to Prof. J. A. Cope, New York College of Agriculture. Norway spruce is perhaps the best of the plantation-grown trees for home use, but a growing demand for pine has arisen for street decorations, he says.

Ten years ago, farm bureaus in New York State, aided by the State Conservation Department, started to establish forest plantations on bits of unused farm lands. Hundreds of pine and spruce plantations were set out, many of them along well-traveled highways. The trees have averaged about one foot of height-growth a year.

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BIG DEMAND FOR SOYBEANS

New and increasing demands for soybeans for commercial, food and feed uses soon will be met by adapted varieties developed from the 4,578 seed samples brought to the United States from the Orient in 1930 and 1931 by the United States Department of Agriculture, according to W. J. Morse, Bureau of Plant Industry.

More than 4,000 of the samples have been tested for two years at more than 100 experiment stations in 43 States, and some of the more promising varieties have been developed to the point where there soon will be sufficient seed for farm planting. The many varieties which eventually will be adapted to virtually every section of the country range as to use from food for humans and feed for animals to beans for green manure and for manufacture into hard molded composition products.

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A NATIONAL CAMPAIGN for the eradication of economically important plant pests is being advocated by William B. Duryee, New Jersey Secretary of Agriculture.

A FAST NEW METHOD for preparing extracted honey for market has been developed by U.S. Department of Agriculture chemists. The method gives a liquid honey which is brilliantly clear and sparkling in appearance and which is appealing to the eye. Granulation is retarded, and the attractive flavor and aroma of the honey are retained intact. The honey is filtered through a filter press under close temperature control.

ONE HUNDRED FIFTY THOUSAND samples of milk were checked during the year ended October 15, by New Jersey Experiment Station, in its program to protect dairy farmers against fraud and inaccuracy when they sell milk on weight and butterfat bases.

DAIRYMEN in drought counties of western and northern New York who must dispose of some of their cows because of a winter feed shortage are finding a ready market for these animals, reports the drought committee appointed by L. R. Simons, director of extension, New York College of Agriculture. The State has removed 60,000 cattle from herds of New York dairymen the last two months.

"SMUTTY WHEAT" is the title of a report recently issued by the Bureau of Agricultural Economics, being "a yearly summary compiled from monthly reports of grain graded by inspectors licensed under the U.S. Grain Standards Act from the Offices of Federal Grain Supervision" for the crop year beginning July, 1933.

RED OATS FROM SOUTH AMERICA now being imported into the United States for feed may look like good seed, but the U. S. Department of Agriculture is issuing warnings to farmers and dealers, that the oats look very much like the well-known Red Rustproof oats but that they are in fact Red Algerian seed which has been tested frequently at experiment stations and has proved unsatisfactory. Dealers are warned not to sell these oats for seed.

THROUGH EXPERIENCE gained in marketing more than \$100,000 worth of beets and carrots annually, Illinois vegetable growers have discovered that to net the maximum profits their root crops must be clean, nearly packed, and pleasing to the eye of prospective buyers, says J. W. Lloyd, chief in fruit and vegetable marketing, Illinois College of Agriculture.

A PLAN to make an inventory of land resources which will give each type of land an index number of value based on productivity was presented at the recent annual meeting of the American Soil Survey Association. The scheme was developed by the Federal Bureau of Chemistry and Soils and is reported as being further developed in several States.

THE MARKETING AGREEMENT for sugar produced in the Philippine Islands, under consideration for several months, has been tentatively approved by Secretary Wallace and sent to millers, refiners, and handlers of sugar in the Islands for signature.

A REDUCTION of 25 percent from the base acreage of cooperating cotton producers for 1935, as compared with a 40 percent reduction in 1934, has been announced by Secretary Wallace.

STATE AND FEDERAL
MARKETING ACTIVITIES
AND OTHER ECONOMIC WORK

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MANY COUNTRIES REGULATE
WHEAT AND WHEAT PRICES

A dozen countries now have regulations governing wheat and wheat prices. Importing countries have raised tariffs against imports of wheat to encourage home production, and exporting countries are attempting by various means to expand export outlets in order to retain or regain export trade. Some of the restrictions and regulations are described as follows by the department of rural economics of Ohio State University.

Canada attempts to regulate supplies through marketing controls. Each province enacts its own legislation to this end. A control board is set up by some of the provinces, which has absolute control over wheat sales. Control legislation does not apply until the wheat crop exceeds a certain amount.

In Argentina a basic price is set for wheat which is now the equivalent of 63 cents a bushel. If at any time the price of wheat falls below this, an agrarian board buys wheat and sells abroad at current market prices. The government stands the loss in these transactions. Also, the Argentine government advances liberal loans on wheat for short term periods.

In Australia the government gives direct assistance to wheat growers. About \$12,000,000 is distributed to growers on an acreage basis. Payments amount to about 7 cents a bushel. The government also has set aside \$16,000,000 to provide a bounty sufficient to maintain a 60-cent price for wheat at point of export. This bounty has not been needed, as yet, because the price at Sidney is about 70 cents. Funds for the payment are derived from sales taxes on flour amounting to \$17 a ton, from state revenues and from an excise tax on flour.

In Chile an agricultural export board buys wheat from producers at \$1.64 a bushel when there is a surplus for export. The home market is protected by a tariff. When the world market rises to \$1.91 a bushel wheat may come into Chile duty free.

In Germany, a deficit country in wheat production, the tariff on imports of wheat is \$1.62 a bushel. All imports are handled through a government office. If anyone wishes to import wheat through ordinary trade channels, the tariff is \$3.86 a bushel. All exports of wheat are prohibited. Prices are fixed. In the Berlin district, this price is equivalent to \$2.14 a bushel. Until recently, German millers were required to use 97 percent home-produced wheat in their flour. A current shortage caused the government to lower this percentage temporarily to 80 percent.

Sweden has eliminated imports for flour purposes by requiring

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millers to use 100 percent domestic wheat in flour. Since June, growers have been guaranteed a price of \$1.39 a bushel.

The United Kingdom grants tariff preferences to empire countries. A production subsidy is given home growers guaranteeing a minimum of \$1.50 a bushel. The estimated market price this year is 77 cents a bushel, so that tax of \$1 is placed upon each 280-pound sack of flour to finance the subsidy.

France fixed the price of wheat at the mills at \$2 a bushel. Acreage is allotted to French farmers. Each farmer who sows wheat in excess of his average acreage for the past three years is fined \$13.50 per acre of excess. France recently entered the wheat export market. She pays a bounty of \$1.63 a bushel on exports. French farmers also produce wheat behind a tariff wall. The minimum duty is 85 cents, the maximum \$1.71.

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FARMERS PAY TOO MUCH FOR SHORT TIME CREDIT

Cost to farmers of commercial short time credit varies from 10 to 40 percent and the average cost is from 16 to 18 percent, E. H. Forbush, Production Credit Corporation of Springfield, Mass., told the agricultural committee of the New Jersey Bankers' Association in session at New Brunswick, December 10.

The speaker reported that in "ordinary times" farmers get 20 percent of their short time credit from banks, 10 percent from individuals, and 70 percent from dealers in seeds, fertilizers, feeds and other farm supplies.

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NORTH DAKOTA EXPECTS HIGHER TURKEY PRICES

With the national turkey crop running short of anticipated market sales, O. A. Barton, poultry department, North Dakota Agricultural College, looks for prices to strengthen as the season advances. He estimates that about 60 percent of the marketable turkey crop for North Dakota's 1934 production was sold for the Thanksgiving trade, and that 25 to 30 percent of the crop will be sold for the Christmas holidays. Another 10 to 15 percent of the marketable birds should go to town in January and later dates. From 10 to 15 percent of the total crop is the usual number kept for breeders. Barton estimates the 1934 crop in North Dakota at 1,250,000 birds.

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IOWA SAYS SEED PRICES MAY DOUBLE NEXT SPRING

Possibility that prices of field seed next spring will be double what they are now, and that in some communities the necessary seed will not be had at any price, is seen by H. D. Hughes, Iowa State College. Particularly, he believes, will soybean prices rocket. There is every reason to believe that soybean seed now selling for less than a dollar a bushel will cost from \$1.75 to \$2 or more next spring, he says.

ILLINOIS ADVISES FARMERS
ON APPLE QUALITY MARKETING

Illinois fruit growers bidding for their share of the Christmas holiday trade will do well to give special attention to color, quality and variety of apples they place on the market at this time, says J. W. Lloyd, chief in fruit and vegetable marketing, Illinois College of Agriculture.

Red color is especially popular for decorative purposes, he says, adding the apples should be well formed and free from blemishes; furthermore, since Christmas apples are usually eaten out-of-hand without cooking or other preparation, it is imperative that they be of superb eating quality. The Jonathan and Red Delicious come nearest to meeting all requirements of the Christmas trade, he says.

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NEW YORK CONSUMPTION
CONTINUES AT LOW LEVEL

Consumption of milk and cream in the New York market continued at a low level during September and October, according to a report recently issued by New York College of Agriculture. The expected increase in use of milk due to the state milk publicity campaign, particularly during October, did not occur, it is stated. Receipts of milk at the New York market as reported by the U.S. Department of Agriculture were four percent less in September and five percent less in October as compared with corresponding months of 1933. Similar figures for Boston and Philadelphia indicate increases of three to six percent in receipts of fluid milk at those cities for the month of October.

The present low rate of milk consumption in New York and other cities obviously is due to the restricted buying power of consumers, it is stated.

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HIGH FREIGHT RATES RETARD
RECOVERY, SAYS SECRETARY WALLACE

Increases at this time in freight rates on agricultural and other products would delay recovery without giving the railroads the increased revenue they hope for, declared Secretary Wallace testifying before the Interstate Commerce Commission on December 7. Existing freight charges, he said, have caused farmers to turn from railway to other modes of transportation, and to reduce the volume of agricultural freight. Transportation costs, the Secretary pointed out, constitute a relatively fixed charge in agriculture, which has not declined. This charge is a heavier burden upon agriculture now than it would be in good times. All interests can be best served, the Secretary maintained, by avoiding the creation of a greater disparity between consumers' and producers' prices, and by reducing the disparity that exists.

"Some of the recent drop in railway freight," the Secretary stated, "must be attributed to high freight rates on farm products. Faced with low prices and high distribution costs farmers produce less for the market and more for the home table; they turn from cash grains to feed grains and increase relatively their production of the less bulky commodities. They turn more and more to highway transport and often do their own trucking."

NORTHEASTERN DAIRY CONFERENCE
IS RESULT OF ECONOMICS MEETING

Organization of the Northeastern Dairy Conference, in which twelve States from Maine to West Virginia are represented, is the outcome of the Northeastern States Agricultural Conference held in New York City last month. That meeting, held to formulate a unified agricultural program for the northeast, proposed the creation of commodity councils or committees for dairymen and growers of fruits, vegetables, and potatoes. There already is in existence a Northeastern Poultry Producers' Council. It is hoped that "the function of the Northeastern Dairy Conference will help to eliminate friction between various groups of dairy producers and will place the Northeastern dairymen in a stronger position to co-operate with the AAA and other Federal agencies."

The Northeastern Dairy Conference is a temporary organization subject to the approval of the producers' organizations. The present plan of organization provides that voting delegates from twelve States shall be representatives of dairymen's cooperatives, State dairy associations, the grange, and the farm bureau. The agricultural colleges, the departments of agriculture, and the several milk control board each will have one representative in the Conference without voting power.

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WINTER INJURY last year and poor demand for several years have combined to reduce the supply of good apple trees available in nurseries supplying Massachusetts orchardmen, reports Massachusetts Extension Service.

THE NATIONAL MARKET OUTLOOK for 1935 commercial truck crops appears more favorable to growers than in any year since 1931, says H. C. Stewart, New Mexico State College. This is due, he says, in part to higher wholesale prices and apparently smaller supplies of meat, dairy and poultry products, as well as to the seeming improvement in general financial conditions, and the fact that the drought prevented the home canning and storing of vegetables in areas where ordinarily there is plenty.

ELIMINATION of unfair trade practices which have detrimental effects on either the producer, the consumer, or the members of the trade, are sought in a code of fair competition for the live poultry industry being sponsored by three associations of live poultry dealers and slaughterhousemen for three large market areas in the Northeastern States. The proposed code would include all of the live poultry industry in New Jersey, the metropolitan area of Philadelphia, and the metropolitan areas of Boston and Providence.

PRODUCTION ADJUSTMENT CONTRACTS signed early in 1934 by producers of Burley, fire-cured and dark air-cured tobacco will be effective for 1935, Secretary Wallace has announced. The rental payment to Burley contract signers will be \$20 an acre for each acre rented - the same rate as in 1934. The contract for fire-cured producers calls for a reduction in 1935 of 20 percent from the base acreage and production, as compared with the 25 percent reduction in effect this year. Signers of dark air-cured contracts are called upon to reduce acreage and production by 20 percent compared with 30 percent this year.

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FARMERS STILL HAVE CHANCE IN FOREIGN TRADE, SAYS OLSEN

Inability of European countries to become self-sufficient with respect to the principal farm products they import indicates that American farmers may hope for better export outlets for their products, according to Nils A. Olsen, Chief, Bureau of Agricultural Economics, in his annual report to Secretary Wallace.

The extent to which these markets will afford a larger outlet depends in part upon changes that are made in foreign national policies, lowered foreign import restrictions and improved business conditions abroad, he says. On the other hand, there is evidence that American farmers may have to meet increasing competition in some commodities produced in exporting countries.

"Study of the German fats program leads to the conclusion," he says, "that Germany cannot hope, with existing resources, to become self-sufficient in fats without the greatest sacrifices in its general economy." Great Britain and other deficit pork-producing countries likewise have had indifferent success so far in trying to expand their hog industries, he points out.

No serious threat of cotton expansion in Egypt is seen by Mr. Olsen, who says further that the large cotton-growing expectations in the Anglo-Egyptian Sudan have not materialized. He points out, however, that Egypt is going more into shorter staple cotton which competes more directly with American cotton. Mr. Olsen says a study of cotton expansion in Brazil is under way and will be reported soon.

As to wheat, Mr. Olsen says "there have been marked shifts in sources of supply of bread grains in European countries, but an investigation of European wheat consumption brings the conclusion that with a return of world wheat prices to a higher level, the long standing preferences of European millers and bakers for Canadian spring and American hard winter wheats will reassert themselves." The bureau is also studying the spread between prices of bread and wheat in several European countries.

Other subjects in Mr. Olsen's annual report include food price margins in the United States, quality grading of farm products, direct marketing of hogs, new discoveries in cotton research, and a wide variety of economic research services and administrative activities. Copies of the report may be obtained from the Bureau of Agricultural Economics, Washington, D. C.

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LAURENCE A. BEVAN, Director, Massachusetts Division of Markets, since 1923, has been appointed as extension economist in marketing for New Jersey Agricultural Experiment Station, effective February 1.

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Attn., Miss Trolinger,
Washington, D. C.

ENTHUSIASM WANES OVER
ROADSIDE MARKET SIGNS

Several roadside stand operators in Massachusetts have told L.A. Bevan of Massachusetts Division of Markets that the official State roadside sign has been of no help to them in increasing sales. Various schemes have been tried to stimulate interest in the sign, but the roadside stand marketing organization is making little progress, he says.

Sidney A. Edwards of Connecticut Division of Markets says interest in the signs was improving in Connecticut, but that since rental of the signs has been increased to \$10 "progress has slowed down". He says the better stands do not need the help of the sign. He thinks low prices have held back the roadside stand sign development.

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IOWA ADVISED AGAINST HOLDING
CORN FOR HIGHER PRICES

Storing corn this winter and through early spring in hope of higher prices next summer is not likely to pay, says G.S. Shepherd, economist, Iowa State College, pointing out "there is only 1 chance in 11 that the price of corn will rise more than enough to pay storage costs." Only after the large or normal crop years, he says, does the price rise more than enough from winter to summer to cover cost of storing.

Three factors particular to this year, in addition, make it doubtful whether corn prices will rise further above the carrying charges, he says. They are: (1) Many farmers would be forced to sell livestock if grain costs rise any more, thus reducing the demand for feed grains; (2) wheat feeding would be stimulated with any further advance in corn prices; (3) some importation of corn and other feeds over the tariff would result if prices rise materially.

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DEFINES "GUARANTEED ADVANCE"
UNDER PERISHABLES ACT

In a recent decision under the Perishable Agricultural Commodities Act the Secretary of Agriculture set forth the understanding of the Department as to the meaning of the much abused term "guaranteed advance".

He said: "Although testimony given in this and other cases discloses that the terms 'advance' and 'guaranteed advance' are sometimes rather carelessly used it seems to be fairly well understood by those engaged in the fruit and vegetable trade that the term 'guaranteed advance' as used in connection with an advance payment on consigned produce means that the party making the advance payment guarantees that the net proceeds to the consignor shall at least equal the amount advanced and in any case where a guaranteed advance is made the consignor cannot be held liable for any deficit resulting from the sale of the produce. Unless otherwise provided by agreement, the transaction is considered as a consignment or joint account and not a purchase and sale. Anyone making a guaranteed advance, therefore, must render a complete accounting as in any other case where a consignment is involved and of course must also remit the net proceeds over and above the cost of handling including the agreed commission or brokerage. By the term 'regular advance' or 'accommodation advance' is meant that the shipper has received a sum of money to enable him to make shipment and if the produce does not sell

for enough to cover the cost of transportation and handling, including the customary brokerage, the shipper must return to the one making the advance a sum equal to the loss involved. In other respects, the transaction is handled the same as any other sale or shipment on a consignment basis as the case may be."

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SOME COUNTRIES WANT MORE
PORK PRODUCTION; OTHERS LESS

Countries other than the United States are adjusting pork production to effective demand. Denmark and the Netherlands are adjusting downward because of loss of export markets; Germany is encouraging home production behind high tariffs; the United Kingdom is granting trade favors to empire countries. The situation is summarized by Ohio State University, as follows:

"Denmark enacted legislation to adjust hog numbers downward to take care of the 25 percent cut in exports effected by the British quota system. She also maintains the domestic price level for pork at the level of prices in Great Britain. The Danish program is financed by so-called slaughter taxes. Each producer is issued allotment cards. For his allotment of hogs he receives the prevailing British price. Production in excess of the allotments is discouraged by paying substantially less for hogs that come to market without a card. In addition, the slaughter tax on such hogs is larger.

"In the Netherlands, production has been reduced to the 1930 level by governmental action. Production in 1933 was limited by 28 percent. Each province is allotted a quota of earmarks, which are tagged on pigs when they pass 22 pounds in weight. The government maintains a monopoly over exports, fixes prices at home, and governs production. This scheme is also financed by a processing tax.

"In 1932, exports of pork from Canada to Great Britain were practically negligible. Since then she has been recovering her export market, owing to favorable British quotas. Canada is the only pork surplus country of consequence that has increased exports in recent years. An import duty of 3 cents a pound plus an ad valorem tax prohibits profitable export of hogs from the United States to Canada.

"The German government retains a monopoly on imports, granting monthly quotas and enforcing excessively high tariffs. The present tariff on lard is 18 cents a pound. Germany completely restricted imports of American lard during July and August by refusing to grant exchange for that purpose. The German program cost the United States about 100 million pounds of pork and lard exports this year."

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UNITED STATES COURT
BACKS SEED LAW

As a penalty for five violations of the Federal Seed Act, three Memphis seed dealers were fined a total of \$1000 in the United States District Court at Memphis, November 22 and 28. One defendant shipped 260 bushels of rye seed in two lots to Montgomery and Pell City, Alabama, which were labeled with a germination of 82 percent and 91 percent, but which were found to germinate 43 percent and 57.75 percent, respectively.

One of the lots was labeled "Abruzzi Rye" but the seed was found to be a mixture of Abruzzi and other rye. A shipment of Red clover seed to Newport, Arkansas, labeled "Germination approximately 90 - Noxious weed seed .00%, was found to germinate 69 percent and to contain "five Buckhorn and three Dodder seeds to each five grams - ". At this rate, there would be 720 noxious weeds seeds per pound of Red clover. Pleas of nolo contendere were entered and the defendant was fined \$600.

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NEARLY SIXTEEN THOUSAND BUSHELS of apples bearing poison residues exceeding safe limits were seized in November by the Food and Drug Administration. The fruit had been shipped from producing sections in New York, Michigan, Illinois, Missouri, and other Central States.

INCREASING DEMAND by growers for disease free seed has resulted in a big increase in certified seed potato acreage this year over last in California, reports California Department of Agriculture. A list of certified varieties and of growers may be obtained from that department, at Sacramento.

"THE MIXED CARLOAD in Distribution of Vegetables from the Lower Rio Grande Valley of Texas" is the title of a bulletin recently issued by Texas Experiment Station. In the summary it is stated that "for the twenty-one shipping seasons ending with 1930-31, mixed carloads have accounted for 29 percent of all carload shipments of vegetables from the Lower Rio Grande Valley."

TWO SEASONS OF TRIAL have shown that in the Agricultural Adjustment Act, with its combined provisions for processing taxes and benefit payments as a means of cooperative crop adjustment, American agriculture has an effective means of adjusting its production to the needs of the market, Secretary Wallace stated in his annual report to the President. The Secretary says "agriculture should continue the adjustment program, though the enormous commodity surpluses which existed prior to the passage of the Adjustment Act have now largely disappeared."

NEARLY ONE-THIRD of the time, money, and effort expended by the Federal Food and Drug Administration is being devoted to protecting the public from the danger of poisons used in sprays to combat insect pests and diseases that attack fruits and vegetables, according to W. G. Campbell, chief of that administration.

"IOWA'S POPULATION PROSPECT" and "Status of Farm Housing in Iowa" are the titles of two research bulletins recently issued by Iowa Experiment Station.

REMOVAL of virtually all of the 40,000,000 pounds surplus of fire-cured tobacco by the end of the 1935 marketing season is expected under the adjustment program for this type of tobacco, according to J. B. Hutson, chief of the Tobacco Section, AAA.

NO DECISIONS by any circuit court of appeals nor by the Supreme Court of the United States, have involved the constitutionality of any section of the Agricultural Adjustment Act, it is shown by a survey of AAA litigation in 1934.

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MARKETING PROBLEMS ARE BECOMING MORE COMPLEX

Marketing problems of fruit and vegetable growers are rapidly becoming more complex, due primarily to increasing volume of motor truck business and to the tremendous bargaining power of large-scale chain buying organizations, says H. C. Stewart of New Mexico State College.

The volume of business done by motor trucks in the past five years has increased over 67 per cent, he says. "The motor truck is no doubt a necessity in helping New Mexico farmers to market their perishable products quickly and easily, yet because of the motor truck, the sweet potato market of one important New Mexico county was almost wrecked," says Stewart. He suggests that "it would seem wise to continue to use the motor truck for transportation purposes, but no longer to permit truckers to sell farm products in direct competition with farmers."

For New Mexico to benefit by the demands of large chain buying organizations, it is stated, "it would seem wise to encourage more cooperative marketing groups, also more competitive buying agencies on the part of private chain and voluntary chain buying organizations. Greater development of cooperative associations to assemble, prepare and truck products to market would seem worth while. Farmer cooperative associations could then obtain greater bargaining power with the large-scale buying organizations. Critical analysis of marketing agreements now in operation and unbiased trials of such new agreements as may seem to fit conditions peculiar to an area or region, should help to solve some of these problems now causing trouble in the marketing of fruits and vegetables."

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MASSACHUSETTS TO HOLD FARM INVENTORY WEEK

A "Farm Inventory Week", January 7 to 12, during which Massachusetts farmers will be encouraged to take stock of their possessions, assets, and liabilities, has been announced by Massachusetts State College. A farm inventory, it is stated, is a list of all the property owned by the farmer, his building, machinery, equipment, feed, live-stock, and supplies, together with a valuation of each item. It should include the cash on hand, money or accounts receivable from others, and debts and bills owed to others. A new farm inventory book has been prepared by the college.

U. S. Dept. of Agriculture
Bureau of Agricultural Economics
Washington, D. C.

NEW JERSEY GRADESMANY CANNERY TOMATOES

Nearly 91,000 tons of cannery tomatoes, or about 70 percent of the production in New Jersey, were inspected and graded by New Jersey Department of Agriculture last summer and early fall. Inspections were made for canners and farmers at six New Jersey canneries.

With canners paying an average of \$18 per ton for No. 1 stock and \$10 per ton for No. 2 stock, farmers whose tomatoes were bought on the basis of the inspection received \$14.34 per ton as compared with \$14, the estimated average price of all New Jersey cannery tomatoes, including contracted and open market tomatoes, it is stated. Farmers who supplied better-than-average quality received more than the \$14.34 average. Fifty-eight percent of the inspected tonnage qualified as U. S. No. 1 and 39 percent as U.S. No. 2. Only 3 percent fell into the "Culls" classification. Inspections were made at canneries in Camden, Bridgeton, Vincentown, Quinton, and Port Norris.

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LOUISIANA VEGETABLE GROWERSEXPECT IMPROVED MARKETS

Producers of truck crops are expecting better marketing conditions during coming months, reports B. B. Jones, Louisiana Extension Service. Better markets are expected due to improved business conditions, reduced supplies of some other leading food lines, and less competition from home canned products as a result of this year's drought.

Prices on some vegetables are now the highest in years and markets are absorbing shipments in greater volume, it is stated. Carlot shipments from Louisiana are expected to be the largest in several years, and total income from most vegetables to be considerably above the average of the past few years.

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SELLING THIN PIGSLOSES FARMERS MONEY

Before marketing underweight pigs, farmers should carefully consider the possible profit from feeding them 35 to 40 days longer, says E. F. Ferrin, Minnesota Extension Division. Many thin, thrifty pigs of 150 to 165 pounds are being marketed at an unnecessary loss, he says. Corn is very high in price in comparison with the market value of fat hogs, but the thin pigs will more than pay market prices for feeds if fattened, it is stated. The reason given is the abnormal spread between prices of good slaughter hogs and light underfinished stock.

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WOULD REGULATE INTERSTATESHIPMENTS OF MILK

A proposed working agreement between the Federal government and New Jersey Milk Control Board to regulate interstate shipments of milk was recently announced by William B. Duryee, chairman of the board. Supervision over all interstate business would be vested in the dairy division of the AAA while intrastate business would be continued under

supervision of the Milk Control Board.

"The Board," Mr. Duryee says, "has stabilized market conditions within the geographical area coming under its jurisdiction." Touching on the question of dairy regulations as applied to milk sheds, Mr. Duryee says that at this time and probably for some time to come, it appears that the larger national phases of milk shed control or of large metropolitan market areas are not feasible.

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ILLINOIS RECOMMENDS EXPANDED GREENHOUSE SPINACH PRODUCTION

Changing market conditions in the greenhouse vegetable business will not hit Illinois growers as hard as they otherwise would, if they will expand their growing of New Zealand spinach as a greenhouse crop, says J. W. Lloyd, Illinois College of Agriculture. Head lettuce shipped in from the southwest has reduced the demand for leaf lettuce from Illinois greenhouses, but a good substitute crop is to be found in New Zealand spinach, he says. Unlike leaf lettuce, New Zealand spinach from a single planting is said to furnish a continuous supply for harvesting throughout the winter. Pickings can be made once a week from the same plants. It is used for greens in the same way as ordinary spinach.

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CALIFORNIA DESIGNS NEW FARM RECORD BOOK

A new farm record book has been designed by California Extension Service primarily to aid California farmers in keeping the kind of records that will meet all their needs. The book provides opportunity for recording enough data so that cost accounts on separate farming enterprises may be obtained, and assists in the analysis of the farm business for the purpose of arriving at managerial decisions which will increase net returns. From records kept in the manner prescribed in the book, all needed information is easily tabulated for income tax returns, compensation insurance payrolls, credit statements or loan applications, and quotas or compliance under production adjustment of marketing programs.

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CONNECTICUT FINDS VEGETABLE AREA INCREASING

While there has been a general tendency throughout the country for decreased production of agricultural products, a vegetable acreage survey indicates that definite decreases in acreages of vegetables in Connecticut is the exception rather than the rule, reports Connecticut Department of Agriculture. A mimeographed report giving results of the survey may be obtained from that department at Hartford, Conn. Acreages for sixteen vegetables decreased in 1934 compared with 1933, but acreages for sixteen other vegetables increased.

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"FARM ORGANIZATION and Family Incomes in Knott County, Kentucky," is the title of a bulletin recently issued by Kentucky Experiment Station.

NEW YORK RECEIVING LARGE
MOTOR-TRUCK TONNAGES

Almost 82,000 trucks rolled into a wholesale produce market on lower west side Manhattan in 1933, -- an increase of about 67 percent in five years," reports M. P. Rasmussen, New York College of Agriculture. In September this year, it was reported that motor truck receipts of fruits and vegetables in New York City showed a 27 percent increase over the same month last year.

To help solve some of the problems involved in marketing fruits and vegetables, Professor Rasmussen suggests development of joint union facilities to market fruits and vegetables received by truck in large terminal markets; development of cooperative groups of growers to meet demands of large-scale buying organizations; critical analysis and development of more country auction markets; more city regional markets, and more rural regional markets.

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IT SEEMS PROBABLE that the revival which has taken place in industry during recent months will be continued into the early part of 1935, says Dr. R. W. Bartlett, Illinois College of Agriculture. Substantial gains which have been made recently in purchasing power show a fundamental improvement in the business situation, he says.

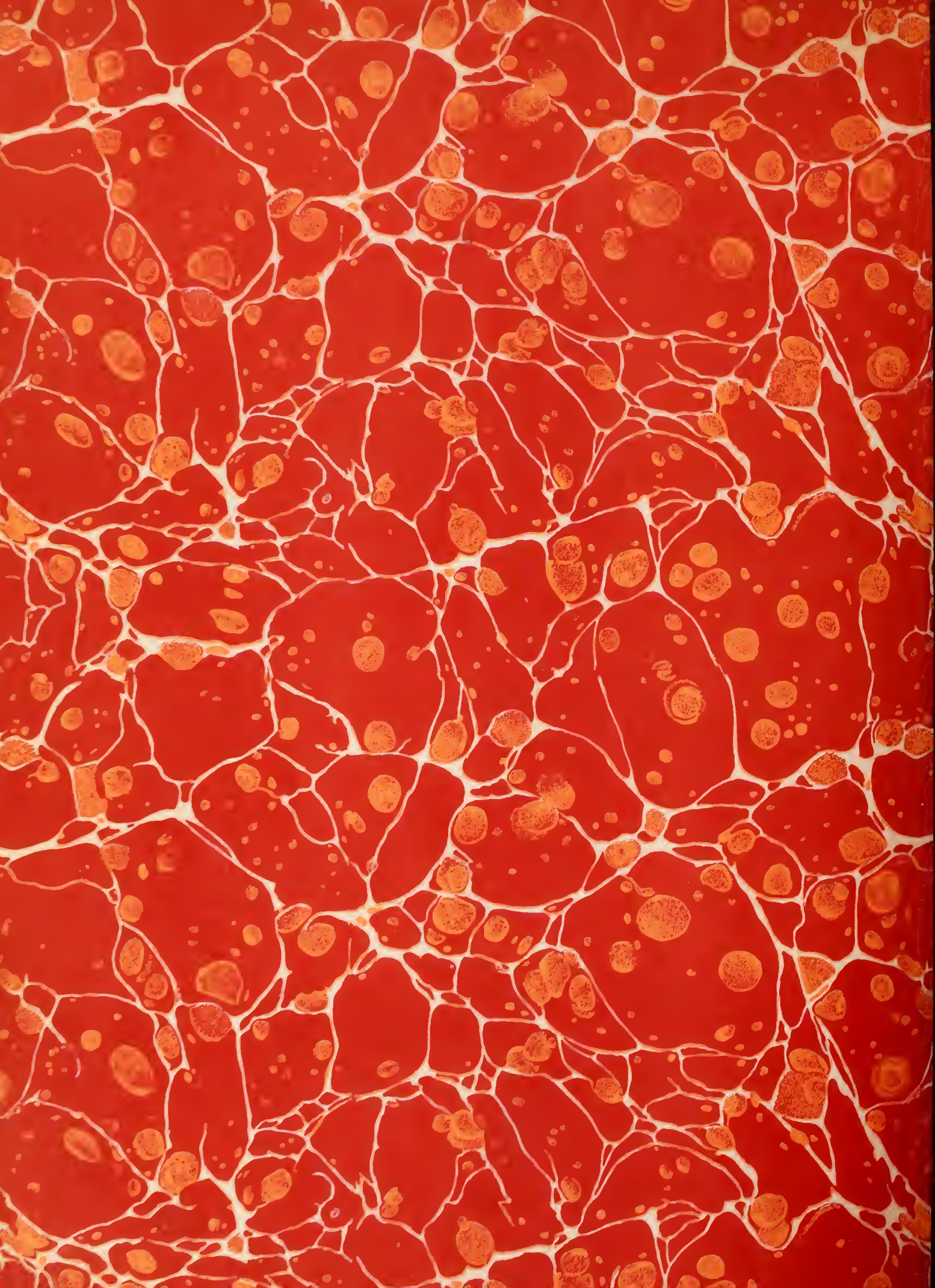
REQUESTS for the newly developed "Rutgers" tomato have been received by New Jersey Experiment Station from 35 States and from Canada. The uniform color of the tomato, obtained through its ability to ripen from the center outward, is said to make the tomato particularly adaptable to the manufacture of a finely flavored tomato juice. Its heavy foliage protects it from sunscald.

CORNELL'S twenty-eighth annual farm and home week will be held at Ithaca, New York, February 11 to 16. More than 400 lectures, forums, and demonstrations are being scheduled. Questions of farm credit, land use, rural rehabilitation, milk, and soil erosion have a place on the calendar. Write Professor Ralph H. Wheeler, New York College of Agriculture, Ithaca, New York, for copies of the program.

AS BEEF PRICES LAG behind the rapidly-rising prices of grain and forage, Illinois cattle feeders are balancing their cheap roughage with the more plentiful soybean hay to hold costs down as much as possible this winter, says E. T. Robbins, Illinois College of Agriculture.

COMMERCIAL POULTRYMEN are finding that pullets hatched in January and February are more profitable than those hatched later in the year, says R. E. Cray, Ohio Extension Service. The early hatched bird lays more eggs and lays them when prices are higher, he says.

A GROWERS COMMITTEE for development of a potato-adjustment program has submitted to the AAA three optional plans designed to improve the economic position of potato growers. Two of these plans would require that potatoes be declared a basic commodity by amendment to the Adjustment Act, and would provide for acreage adjustment, while the third would set up allotments to individual growers under a marketing agreement and license. The committee represents growers of the various producing districts along the Eastern Seaboard.



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